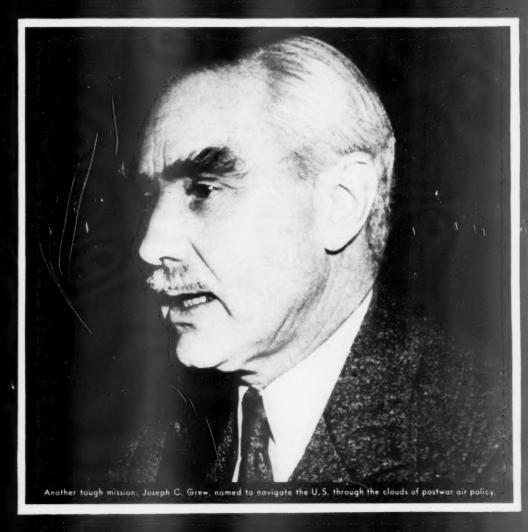
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START OF WAR 1939

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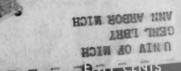
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PUBLISHED BY THE McGRAW-HILL PUBLISHING COMP.



UNION CARBIDE REPORTS

first full-year's production of

BUTADIENE

for the Government's Synthetic Rubber Program

(INSTITUTE, W. VA. PLANT)



Night view of the immense butadiene plant at Institute, W. Va.

A LITTLE OVER A YEAR AGO the first tank car of butadiene was shipped from the Government's large integrated rubber project at Institute, W. Va. This historic shipment came from the immense butadiene plant which was designed and built by CARBIDE AND CARBON CHEMICALS CORPORATION for the Government's Defense Plant Corporation-and is being operated by this Unit of UCC, for the Rubber Reserve Company.

FIRST YEAR'S PRODUCTION OVER THE RATED CAPACITYthat is the record of this huge 80,000-ton-per-year plant during its first twelve months! This has been accomplished in spite of the many inherent problems that had to be solved in starting a wholly new project of this magnitude.

Over 8/10 of a short ton of butadiene is required to make about one long ton of Buna S type synthetic rubber. Butadiene from this plant during the past year has provided more than 90,000 long tons of synthetic rubber for the Nation's requirements, both military and essential civilian. The delivery of this all-important ingredient also has made possible early production of synthetic rubber under the Government's program.

NOW HUGE BUTADIENE PRODUCER - although originally designed to produce 80,000 tons annual capacity, the Institute plant is now delivering but adiene at a rate of more than 100,000 tons per year. An identical plant using Carbide's process was put into operation by the Koppers United Company in September, 1943, at Kobuta, near Pittsburgh, Pa.

OVER 75% OF THE TOTAL PRODUCTION OF BUTADIENE for the Government's synthetic rubber program in 1943 came from the alcohol process developed by Carbide and Carboy CHEMICALS CORPORATION.

In addition to the plant at Institute, Carbide made available plans for the large plant at Kobuta, which was built and is being operated for the Government by Koppers United Com-

CARBIDE AND CARBON CHEMICALS CORPORATION also has designed and built for the Defense Plant Corporation, and is operating for the Rubber Reserve Company, another large butadiene plant at Louisville, Ky.

Business men, technicians, teachers, and others are invited to send for the book 1-4 "Butadiene and Styrene for Buna S Synthetic Rubber from Grain Alcohol," which explains what these plants do, and what their place is in the Government's rubber program.

*The first tank carload of butadiene from Institute was shipped on February 18, 1943 -less than one month after Unit No. 1 of the four large butadiene-producing units had started operating. Subsequently, Unit No. 2 started producing in March, Unit No. 3 in April, and Unit No. 4 on May 25, 1943.

BUY WAR BONDS AND STAMPS

UNION CARBIDE AND CARBON CORPORATION

New York 17, N. Y. 30 East 42nd Street

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Carbide and Carbon Chemicals Corporation ELECTRODES, CARBONS AND BATTERIES

National Carbon Company, Inc.

INDUSTRIAL GASES AND CARRIDE

The Linde Air Products Company The Oxweld Railroad Service Company The Prest-O-Lite Company, Inc.

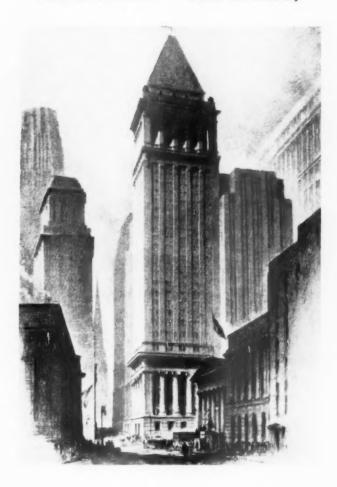
PLASTICS

Bakelite Corporation Plastics Division of Carbide and Carbon Chemicals Corporation

The material herein has been reviewed and passed by the Office of Rubber Director, the Rubber Reserve Company, the Defense Plant Corporation, and the War Department

BUY WAR BONDS

LEND for Patriotism . . . HOLD for Security



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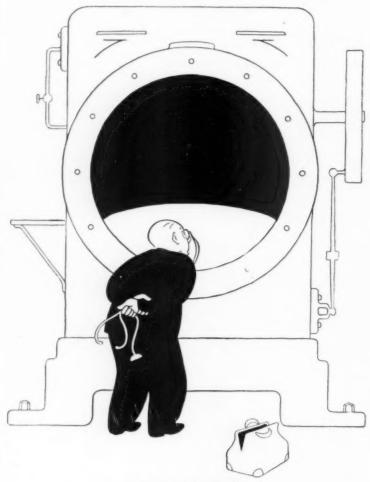
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"Say Ah-h!"

TODAY, many boilers, turbines and generators—like older people—require a doctor more often. The war has used up some of their normal life... with extra shifts, less time for repairs, more chances to develop conditions leading to accidents.

Yet present power equipment must not only be made to last for the duration, but much of it must be ready to serve reliably in the period that will follow. So it is important that you now have the protective advantages of insurance with Hartford Steam Boiler.

Hartford is first among powerplant insurers. Its engineers, inspectors and underwriters draw upon the wide experience and specific technical knowledge their Company has gained in 77 years of *specializing* in this one exacting line.

The Company's large staff of inspectors devotes full time to the detection of accident-producing conditions in time to forestall trouble. These inspectors are so located that they can be reached quickly in an emergency. Their advice on maintenance frequently adds years to the usable life of expensive apparatus. Your agent or broker can tell

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MBER 762







There has never been a time when the work of the telephone operator has been so important as right now

IS WAR

For there are more Long Distance calls than ever before. More are in a hurry, particularly the urgent calls of war.

Calm in emergencies, capable and courteous, the telephone operators are earning a nation's thanks for a job well done.

BELL TELEPHONE SYSTEM



When you're calling over war-busy lines, the Long Distance operator may ask you to "please limit your call to 5 minutes." That's to help more calls get through during rush periods.



BERKSHIRE STOCKINGS, READING, PENNA.

WASHINGTON BULLETIN

rst Call for 4-F's

Maj. Gen. Lewis B. Hershey, director f Selective Service, has issued a first all to +F's and men classified for imited service to get into essential ork-or else.

For the present, the "or else" is just threat—nothing more. But Hershey tarned that legislative or administrative action or both would be taken if most of the 3,600,000 4-F's and the 65,000 mited service men not now in necessary work fail to shift.

Emphasis on Age

Forcing the 4-F's into direct war work rapidly becoming a popular compromise proposal to settle the whole national service controversy (BW-

Apr.1'44,p7).

Other developments point to further streamlining of the Selective Service system to make sure that all men of military age are either in the Army or in essential work. Draft boards will be instructed to give heavy emphasis to age in granting deferments.

The 26-to-30 age bracket will be opened up for review as soon as the draining of the under-26 group is completed. Those over 30 not in essential work would be taken ahead of those

who are.

ings

Army Shuns the Unfit

Several alternative methods of controlling 4-F's and limited service men are available. Some require legislation. Some do not.

Simplest procedure would be announcement by the Army that it would accept for induction any 4-F who refuses to shift into essential work. The Army does not like this plan, because it doesn't want a large number of physically unfit men on its hands, and fears many men would welcome the opportunity to acquire veterans' status later on.

Labor Corps Proposed

Creation of a special Army labor corps would meet some of the War Dept.'s objections to a forced drafting of 4-F's provided it was made so unattractive that its size would be kept small. This would require legislation.

Rep. Clare Luce has introduced a bill to create a mobile labor corps to meet emergency demands for manpower in harvesting, mining, logging, canning, as well as in any other war activities.

More likely is legislation making service in the labor corps the last resort. Opportunity would be given 4-F's to shift into war work. Those who failed then would be called upon by their draft boards to take specific jobs offered by the U. S. Employment Service. Failure to accept a USES job offer after an appropriate waiting period would then be adjudged grounds for induction into the labor corps.

Limited National Service

As another means of forcing the 4-F's into essential work, the Austin-Wadsworth national service bill conceivably could be amended to limit national service to men of military age. Then those who failed to shift into essential work would be subject to criminal penalties under the Selective Training & Service Act and sent to jail instead ot to a labor corps. This approach might, however, serve only to revive all the opposition to full national service.

Another approach would be to induct into the Army for a day those men who refuse to accept a USES job offer. They would be assigned back to the job at civilian rates of pay in the enlisted reserve. Legislation would be required to prevent these soldiers-for-a-day from securing veterans' rights.

Regardless of the approach used, one thing is clear. Those 4-F's now in essential work would be frozen solid.

Seamen's Bonuses Changed

Prelude to invasion: The Maritime War Emergency Board has just enlarged the area in which merchant seamen are paid top hazard bonus to include the entire western coast of Europe and the British Isles.

Until this month, the bonus in that theater was paid only for operations in the Mediterranean and Black Sea areas and the run to Murmansk. Now the premium (\$5 a day, plus 100% of base pay or \$100, whichever is larger) is paid for all service east of 9 deg. W. longitude (which cuts through Eire).

Illustrating the shift in hazards, the board slashed bonus rates in the Pacific from 100% to 25% (for service within an area extending three to four days' sailing time west of San Francisco) and to 663% for practically all Pacific ports beyond the coastal area.

To rate the 100% bonus now, Pacific

seamen have to cross the international dateline (180th meridian), and that's practically in Tojo's back-yard.

A.F.L. Goes to Bat

George Meany, secretary-treasurer of the American Federation of Labor and member of the National War Labor Board, revealed this week at hearings on the A.F.L. petition for revision of the Little Steel formula that as long as a year ago, NWLB Vice-Chairman George W. Taylor had suggested a revision in the formula—but only for the workers in lower-pay brackets.

A.F.L.'s presentation was pointed at President Roosevelt as was the opening argument of Philip Murray on the demands of the C.I.O. United Steelworkers for a 17¢-an-hour wage increase (BW-Apr.l'44,p17). Both groups acknowledge that NWLB cannot change the Little Steel formula

on its own motion.

The appeal to Roosevelt emphasizes more than ever that current proceedings before NWLB are but shadow-boxing; the big event must take place at the White House.

To Break Court Jam

Congress soon may act on the stalemate which has prevented final adjudication of the government's antitrust suit against the Aluminum Co. of America and application of the utility holding company law's death sentence to the North American Co.

The Supreme Court is stymied because six of its nine justices are needed for a quorum and four have disqualified themselves by reason of previous con-

nection with these cases.

Administration efforts to reduce the quorum requirement from six to five have got nowhere, but there's a new move afoot in Congress.

The Weaver bill, reported unanimously by the House Judiciary Committee, would permit final decision on the stalemated cases by the federal appeals court in whose jurisdiction the cases were brought. A special division of a circuit court, consisting of the presiding judge and two senior judges, would be given the power of the Supreme Court in deciding equity cases brought by the government in event a qualified quorum is lacking in the high tribunal.

Both Democratic and Republican



GANG PLOW...GANG BUSTER

In keeping with the 107-year-old tradition of the John Deere organization, 13 great Deere plants are today producing high-quality machinery for the farmers of America—machinery that will help meet the greatest demand for food in our history. But production emphasis is not on farm machinery alone. A wide variety of products essential to the war effort has an important place in John Deere manufacturing.

In building this war equipment, many difficult lubrication problems had to be solved.

For example, in one large Deere plant turning out mechanized equipment for the Army, a "hot bearings" crisis in the foundry tumbling mill was causing costly delays. Shell Lubrication Engineers were called. They recommended a heavy-duty Shell Industrial Grease. It brought bearings down to correct temperatures immediately . . . kept them there.

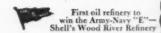
Another Deere plant had serious trouble "spading" 75-mm. shot. In this spading, or rounding out the interior of the shell, the finish obtained was not smooth enough for filling with TNT. Shell Engineers solved this problem with a specially compounded Shell Cutting Oil. Its lubricating properties provided an excellent finish at a much lower cost.

Today's all-out production for Victory makes proper lubrication even more vital. Yesterday's solution is seldom good enough for today.

Lubricants are constantly being improved at the "University of Petroleum," Shell's research laboratories. Shell Lubrication Engineers apply these improvements in the field.

Be sure that the machines in your plant get the benefit of all that's new in

lubrication. Call the Shell Lubrication Engineer.





LEADERS IN WAR PRODUCTION RELY ON SHELL INDUSTRIAL LUBRICANTS

ASHINGTON BULLETIN (Continued)

bers of the House committee bethat the Weaver bill can be ted. A similar measure has been duced in the Senate by Chairman McCarran of the Judiciary Comtee. Both bills are slated for early deration.

w to Surplus Sales

he Treasury Procurement Division's for selling some 10,000 governtowned automobiles and trucks to flished dealers is a clew to the way government probably will handle osal of similar items of postwar

his plan finally got official approval n William L. Clayton took over as d of the new Surplus War Property ninistration. Until then, Treasury curement had been holding up the waiting for a definition of its

the system now works, Treasury curement will invite bids from regudealers and will sell the surpluses to the highest bidders through its jonal offices. By defining a dealer a man engaged in selling, servicing, repairing trucks or automobiles, it is out speculators who do no repair

The Office of Price Administration's ling on used truck prices will set top on bids, and where bids are entical, distribution will be by lot.

uto Parts Crisis

WPB and the Office of Defense fansportation are becoming really conemed about the shortage of automone repair parts. An independent spot heck submitted to the two agencies hows serious shortages of some of the nost essential parts—bearings, gaskets, olls. ODT is now checking up on its

The shortages are real, not the reult of dealer hoarding. They go clear ack to the factory. Manufacturers say hey don't have the manpower and maerials. ODT and WPB don't know low to get around the fact that, for nost manufacturers today, automotive arts are a small-volume, low-profit item just not worth the trouble. One solulion would be to get the Army to disorge some of its reserves (the trade daims they are excessive), but this is usier said than done.

OPA has helped some by easing price teilings on rebuilt parts.

Farm Trouble, Too

In its survey of farm supplies, WPB's Office of Civilian Requirements found that repair parts and services for agricultural machinery rank near the top of farmers' problems (in general they are giving more trouble than inability to buy new supplies).

Results of the survey show that difficulty in repairing machinery has caused serious interference with food production. The worst example is corn pickers: 75% of the farmers who have had repair trouble report that it has cut down production. The same figure for plows was 60%, for tractors 5+%, for trucks 31%.

Alarm Clock Windfall

The Office of Civilian Requirements is used to getting less than it asks for. Recently, the tables were turned and it got more.

OCR had put in a bid for more and better spring alarm clocks, hadn't even bothered to ask for electric clocks. But WPB's Consumer Durable Goods Division saw where several manufacturers might be able to make electric clocks and told them to go ahead (reducing the spring clock quota correspondingly).

Production will have to be fitted into the cracks and crevices of manufactur-

ers' regular war production schedules, so the number that can be made is conjectural and the rate of output will

fluctuate.

The clocks, designated "War Alarm," will not carry a trade name of any manufacturer. Except for minor non-operating parts, they will be made of the same materials as those used in prewar clocks. Retailers will offer the clocks with a regular standard guarantee around May 1, priced at the prewar level of \$4.95.

WPB has established quotas for each geographical area within the United States, based on the distribution of electric clock sales in 1941, and adjusted to compensate for population shifts.

Grounded Airmail

With the airmail rate boosted from 6¢ to 8¢, the fact that about two-thirds of the mail paying air postage is going all or part way by train is at last regarded with serious concern by the Post Office Dept. Postmaster General Frank Walker and his superintendent of airmail, Roy Martin, are touring the

Postwar Wrangles Persist

Congressional leaders are making slow headway in their attempts to set up the machinery for legislation on postwar readjustment. In spite of the talk of compromise, the various committees that have cut themselves slices of jurisdiction still are working at cross purposes. At the moment, the situation lines up like this:

Sen. Walter F. George and Sen. James E. Murray, who have taken the lead in the Senate's postwar planning, have worked out a partial compromise with John Hancock and Bernard Baruch, heads of the postwar unit in the Office of War Mobilization. George and Murray will try to push through a modified version of the bill introduced by Murray, covering contract termination only (page 9).

• Postpone the Controversies—The idea is to pass promptly the termination provisions, on which George and Baruch are in fairly close agreement, leaving controversial issues like surplus disposal and the establishment

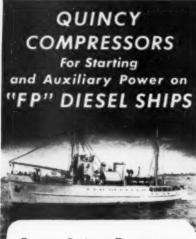
of a central demobilization agency for more debate.

The Senate probably will agree to quick action on the Murray bill, but in the House, the Military Affairs Committee is holding out for a plan of its own which would put termination under the supervision of the Comptroller General.

George's Committee Balked—At one time, Murray and George were willing to accept an even broader compromise which would have established a new Office of Mobilization & Demobilization combining the functions of the present Office of War Mobilization with the demobilization office that George wants to create. George's postwar planning committee balked at this plan, however.

Murray's Military Affairs subcommittee has started hearings on the

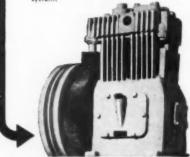
mittee has started hearings on the omnibus postwar bill formulated by the postwar planning committee. It also is considering the bill introduced by Sen. Harley M. Kilgore, to extend OWM into the postwar period.



Quincy 2-stage Compressors provide the air power for starting the 850 horsepower Enterprise Diesel on the Army's new FP Ships—and for auxiliary power uses. These 140 foot freight-passenger vessels are only one of many types of marine applications of Quincy Compressors—landing boats, tugs, trawlers also rely on Quincy Compressors for their air supply.

For 23 years Quincy has manufactured air compressors exclusively. The efficiency and dependability of Quincy Compressors is the result of their advanced, improved design, both inside and out. Whenever a question of air supply is involved, call in a Quincy Compressor specialist.

One Quincy Compressor, with automatic unloader and operating range of 230-250 lbs. starts the main engine on FP Diesel ships. Another model Quincy is linked to the auxiliary power system.



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country searching for ways and means to break the jam.

Months ago the Army suggested to Walker that he set up an airmail priority system, or ask the public to desist, but got no reply. Meanwhile, airline operators are using the impasse as a lever to pry more planes out of the Army.

Johnson at ODT Helm

Interstate Commerce Commissioner J. Monroe Johnson, who succeeds the late Joseph B. Eastman as Defense Transportation Director, has no particular connection with any one form of transportation.

This explains why the title goes to him instead of to Acting Director Charles D. Young, a railroad man.

Charles D. Young, a railroad man.
Johnson, a close friend of War Mobilization Director James F. Byrnes, has a reputation for hardheadedness and strong expression, but he probably won't make any substantial changes in Eastman's policies.

Capital Gains (and Losses)

The Treasury's announcement authorizing 15% a year salary increases for merit in the absence of other standards doesn't mean any change in salary stabilization policies. This has been the working rule all along.

In the recent raids over London, the Nazis have been using salvaged British Lancasters, and they also are reported to have fixed up some of our own B-17's.

Small transformers are so tight, due to the radar program, that WPB is clamping down again on electric service extensions to rural and urban customers.

War contractors whose 1942 business was renegotiated are being mailed new forms on which to report 1943 business to the Joint Price Adjustment Board. Any contractor who does not get a form but thinks he is subject to renegotiation can obtain one from Assignments & Statistics Branch, Renegotiation Division, 3D-573, Pentagon, Washington.

—Business Week's Washington Bureau

THE COVER

Picked to head the American delegation at coming bilateral discussions on postwar commercial aviation policies, nontechnical Joseph C. Grew is no choice of the industry but that of the State Dept. Last U. S. Ambassador to Japan, Grew has spent 40 of his 63 years in diplomatic service, has a record for kidglove tenacity which the government deems necessary to handle a welter of touchy problems (page 38).



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What we mean is that you may be able to make your trip to Water-town or Troy without leaving your office. More than that, there's one way to be in 38 places all at once—without even packing a travelling bag. How?

In these two communities and in 36 others in New York State, there are Marine Midland banks whose officers know local business and local people. They may be able to give you exactly the information you need—help you avoid travel difficulties, save valuable time and lend a hand to the war effort. We suggest that you check with them before your next trip.



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Contract termination legislation—one of the topmost problems in business planning—is finally moving. Sen. Walter F. George gave it a hearty boost this week, and he has business foursquare behind him.

Baruch-Hancock recommendations had raised the hopes of business for quick termination settlements. Then the pulling and hauling began.

Capitol Hill opposed White House control of the demobilization machinery; House and Senate vied for the honor of putting through the first bill. There the whole business got snarled up.

When hearings opened before the Senate Military Affairs Committee on Tuesday, hopes for early passage of a termination law again began to rise.

Sen. George, first witness, called for a top government coordinating agency. But, even more important, he asked for immediate action on the Murray bill (dealing exclusively with contract termination) ahead of his own bill for an over-all Office of Mobilization & Demobilization.

Military contracts now are being canceled at a reported rate of $1\frac{1}{2}$ billion dollars a month. Industry wants rules set for negotiation of settlements, method of payment, disposal of in-process inventory.

Largest war contractor, General Motors presents a grand-scale example of industry's termination and reconversion problems.

Production is 93% war products.

The company's own 99 plants have 77,000,000 sq. ft. of floor space, and G.M. operates 16 government-owned plants with 12,000,000 sq. ft.

These 115 plants contain 130,000 machine tools on war work, of which the company owns 69,000. G.M. has sold 3,100 of its key peacetime machine tools, has stored 17,000 for which there is no wartime use.

The management is prepared to spend \$500,000,000 in resuming peacetime production when that becomes possible. It wants to know policy on disposal of the 16 government plants, and more particularly of Uncie Sam's 61,000 machine tools, many of which are "scrambled" with G.M.'s.

Here's a little-appreciated fact. Civilians mobilized industry for war, and they are going to demobilize it for peace.

Business men battled to keep war production in their hands. Army and even the President's pet Navy couldn't oust them. They're putting up just as determined a fight to keep the job of returning industry to peace.

Army and Navy have blocked wide reconversion. WPB agrees that the services must have everything they want until the invasion is a proved success.

But—and this is the payoff—industry will be under the direction of men from its own ranks as soon as the Nazis' doom is sealed.

Military authority, in the return to peacetime production, will be confined to:

Termination and settlement of contracts (but under congressional rules);
 determining what military equipment will be sold as surplus;
 deciding which government plants and facilities are to be held as arsenal;
 governing the rate at which personnel is demobilized.

How much will aircraft production be cut back after Germany falls? That's one of the key questions in the outlook for industrial reconversion.

Aircraft, with a volume of approximately 20 billion dollars in 1943,

BUSINESS WEEK APRIL 8, 1944

is called by the Guaranty Trust Co. (New York) Survey the biggest "industry in the history of this or any other country." It accounts for 30% of our total war production at the present time.

March output of military aircraft set an all-time high, topping the 100,000,000-lb. mark for the first time with 9,118 fly-away planes. Numbers will drop below 9,000 hereafter, but weight will go on up.

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Production authorities contend that aircraft output will be cut back little if any after Germany falls; neither will planes from the European front be flown to the Pacific for first-string operations. Army and Navy will refuse to give flyers even slightly outmoded ships because of morale.

If this is true, whole automotive reconversion will be delayed.

Loss of 369 heavy bombers in aerial combat over Europe in March (from both 8th and 15th Air Forces) points up the big replacement job.

Other planes are lost in landings and takeoffs; still others return from raids safely, but so badly shot up that they are grounded for extensive rebuilding or dismantled to provide parts to repair other ships.

Total loss for March, then, may have run 600 to 700 big bombers, or perhaps one-half of present output. This is a factor in the Army-Navy contention: "No cutbacks in aircraft."

Despite all demands on war plants, some further liberalization of priorities goes on, particularly in the realm of "product improvement."

Nickel stainless steel has been released in limited quantity for cutlery for the first time since June, 1942; there has been further relaxation of the over-all steel limitation order (M-126); another increase in quotas for ice-boxes; plans for more alarm clocks and a few watches; an increase from 16% to 24% in the base quota for tire chains.

Civilian supply, nevertheless, is deteriorating in several directions.

Shortage of workers to spin yarns—long marked in cotton—has now afflicted **woolens.** Fall deliveries of worsteds, in particular, will be late. Army orders for worsted shirtings, just placed, cut women's wear fabrics. And 5,000,000 Army sweaters will take about 7,000,000 lb. of yarn.

Army demand has forced WPB to cut civilian **shoe allocations** to 314,-000,000 pairs (from 360,000,000), and half-soled repairs to 135,000,000 pairs (from 150,000,000). Nevertheless OPA says, "No tightening of rationing."

F. B. Davis, Jr., chairman of U. S. Rubber, predicts no more than 6,000,000 passenger car tires in the first half of 1944; replacement demand for the full year has been put officially at 30,000,000.

Petroleum Administration for War insists there is not enough gasoline in any part of the country to permit higher rations.

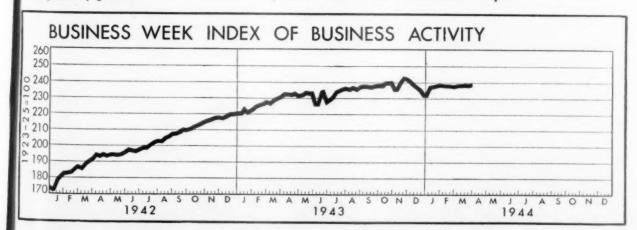
More realism on stockpiles—three-month supplies instead of three-year—finally has been forced on the Joint Chiefs of Staff by WPB.

Reduced buying of tungsten (Bolivia, Mexico) and of quicksilver (Mexico) already is reported. Problem here is good-neighborliness, protection of the economies of nations from which we have been buying.

On the other hand, the domestic mining bloc will raise the roof if the buying cut comes at home before it is undertaken in Latin America.

IGURES OF THE WEEK

		§ Latest Week	Preceding Week	Month Ago	6 Months Ago	Year
HE INDEX (see chart below	w)	*240.0	†240.0	239.4	239.2	233.5
ODUCTION						
steel Ingot Operations (% of capacity)		99.5	99.1	98.8	100.8	99.6
Production of Automobiles and Trucks		18,085	17,725	17,655	21.265	18,555
Engineering Const. Awards (Eng. News-Rec. 4-v	veek daily ay in thousands)	\$5,237	\$5,680	\$6,226	\$8,491	\$11.875
Electric Power Output (million kilowatt-hours).	ter unity in thousands,	4,409	4,409	4,465	4,359	3,890
Crude Oil (daily average, 1,000 bbls.)		4.383	4,385	4.413	4,328	3,918
Bituminous Coal (daily average, 1,000 tons)		1,988	1,987	2,095	2,017	2,100
ADE						
Miscellaneous and L.C.L. Carloadings (daily av	erage, 1,000 cars)	80	81	78	84	79
All Other Carloadings (daily average, 1,000 cars)	50	51	52	67	52
Money in Circulation (Wednesday series, million	ons)	\$21,037	\$20,934	\$20,823	\$18,818	\$16,252
Department Store Sales (change from same week	of preceding year)	+17%	+17%	-10%	+2%	-2%
Business Failures (Dun & Bradstreet, number).		21	30	24	42	89
			20			37
RICES (Average for the week)	1 100	950 3		840.8	9.48.0	0.40.0
Spot Commodity Index (Moody's, Dec. 31, 193	1 = 100),	250.1	251.1	249.2	247.9	249.2
Industrial Raw Materials (U. S. Bureau of Labor	Statistics, Aug., $1939 = 100$).	163.1	163.2	162.6	160.7	160.1
Domestic Farm Products (U. S. Bureau of Labor		221.9	222.2	221.6	217.0	210.1
Finished Steel Composite (Steel, ton)		\$56.73	\$56.73	\$56.73	\$56.73	\$56.73
Scrap Steel Composite (Iron Age, ton)		\$19.17	\$19.17	\$19.17	\$19.17	\$19.17
Copper (electrolytic, Connecticut Valley, lb.).		12.000e	12.000€	12.000¢	12.000€	12.000e
Wheat (No. 2, hard winter, Kansas City, bu.).		\$1.64	\$1.66	\$1.64	\$1.48	\$1.39
Sugar (raw, delivered New York, lb.)		3.74e	3.74e	3.74e	3.74e	3.74e
Cotton (middling, ten designated markets, lb.).		21.07¢	21.16e	20.86¢	20.46¢	21.38e
Wool Tops (New York, lb.)		\$1.319	\$1.313	\$1.301	\$1.368	\$1.310
Rubber (ribbed smoked sheets, New York, lb.).		22.50¢	22.50€	22.50¢	22.50¢	22.50€
NANCE						
90 Stocks, Price Index (Standard & Poor's Corp		95.3	95.8	94.9	95.4	92.5
Medium Grade Corporate Bond Yield (30 Baa i		3.70%	3.70%	3.72%	3.83%	3.95%
High Grade Corporate Bond Yield (30 Aaa issue		2.74%	2.74%	2.74%	2.70%	2.76%
Call Loans Renewal Rate, N. Y. Stock Exchange	(daily average)	1.00%	1.00%	1.00%	1.00%	1.00%
Prime Commercial Paper, 4-to-6 months, N. Y.	City (prevailing rate)	1-1%	1-1%	1-1%	1-1%	1-1%
ANKING (Millions of dollars)						
Demand Deposits Adjusted, reporting member b	anks	32,660	32,860	32,327	30.613	31.848
Total Loans and Investments, reporting member	r banks	52,012	52,401	53,290	50,998	41,391
Commercial and Agricultural Loans, reporting II		6,305	6,370	6,394	6,207	5,912
Securities Loans, reporting member banks		2,362	2,446	2,728	2,993	961
U.S. Gov't and Gov't Guaranteed Obligations 1	Held, reporting member banks	38,087	38,329	38,898	36,210	28,706
Other Securities Held, reporting member banks		2,907	2,897	2,857	2,986	3,229
Excess Reserves, all member banks (Wednesday		600	900	1,200	1.810	1.518
Total Federal Reserve Credit Outstanding (Wes		12,749	12,722	12,042	9,543	6,191
Preliminary, week ended April 1st.	† Revised.					
The state of the s						



The G-E lamp that puts a welder on the spot



7 You might think that extra light was the last thing a welder could use. But the fact is he needs light to see where to start welding. And that used to be a real problem, because white-hot "weld-spatter" was smashing one lamp after another... a challenge to General Electric engineers.



SPATTER PROOF LACQUER COATING
INSIDE PROSTED
GLASS
GLASS
GLASS
FILAMENT
WITH EXTEA
GTRUNG SUPPORTS

Cutaway view of General Electric Welding Lamp

2 General Electric Lamp Research was ready. A protective lacquer coating, first developed for G-E Photoflash lamps, was applied to the standard rough service lamp and it solved the welder's problem. The G-E welding lamp today can "take it."

If you do any welding, maybe this lamp can help you. But no matter what your particular lighting problems may be, there's a General Electric lamp to meet your exact needs.

So when you need lamps be sure to get the right type, and be sure they're marked G-E. General Electric, Company, Nela Park, Cleveland 12, Ohio.

"TO MAKE LAMPS

STAY BRIGHTER LONGER"

The Creed of G-E LAMP RESEARCH



THE BEST INVESTMENT IN THE WORLD IS IN THIS COUNTRY'S FUTURE ... BUY WAR BONDS

G-E MAZDA LAMPS
GENERAL (%) ELECTRIC

SPORBUSINESS WEEK

NUMBER 762 APRIL 8, 1944

orn or Hogs-No. 1 Problem

Farmers get more profit from corn-fed hogs than they would om corn, so they fatten up their porkers and increase farrowing. by by by by by by by growers.

Crux of 1944's farm problem—as it afts food for humans as well as feed livestock—is corn.

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and on this problem of corn-hog phomics hinges the outlook for dairy duction in the Northeast, poultry degg output all up and down the intic seaboard, cattle raising in the uthwest—even price relationships of the and grain sorghums in the Great ans, and wheat in the Pacific Northest and Canada.

The 1943 crisis in corn struck later an this year's (BW-Mar.18'44,p42), d it didn't last as long as this one

Higher Profit From Hogs—The simple of is that farmers can get more for imfed hogs at \$13.75 a cwt. than for om ceilinged at \$1.17 a bu. (Chicago nices). They have a notion that the ailing on corn will be tilted, so they enot letting any out of their cribs expet to feed their own pigs. (There's nice exception: Corn is moving at overeiling prices, and once it sells above

the ceiling, the buyer never resells, so it might as well not have moved so far as breaking the blockade is concerned.)

Corn raisers learned last year that they could sit out OPA, and while they hold out, dairy farmers in the Northeast, corn grinders and cattle feeders in the Middle West can't wait.

• Barely Enough Feed—Tightness of the situation is heightened by the fact that livestock numbers in the country are at record levels. Total feed, at the start of 1944, was down slightly from a year earlier; amount of feed per cow, pig, and fowl was off substantially.

A great many competent authorities are convinced that there is enough feed—just barely enough—but they frankly admit it won't go round unless corn is pried out of the cribs. And it is worse than senseless to talk of commandeering grain from such a large and determined segment of the voting populace.

• Livestock Population—Obvious solution would be to kill off some of the grain-consuming critters. Here, statisti-

cally, is the problem in terms of numbers on farms on Jan. 1:

	1944	1943
Hogs	83,756,000	73,736,000
Cattle (all)	82,192,000	79,114,000
Milk cows	27,607,000	27,106,000
Chickens	572,460,000	540,798,000
Turkeys	7,520,000	6,704,000

Not only is the number of corn-caters high in terms of a year ago, but the 1943 figures are far and away higher than prewar averages. For the 1953-42 period, for example, hogs averaged 51,-616,000; now, even after the very heavy marketings of midwinter, 83,-756,000, minus those slaughtered from Jan. 1 to date, are eating us out of corn.

• What About Forced Sales?—Forcing farmers to sell porkers and eattle would

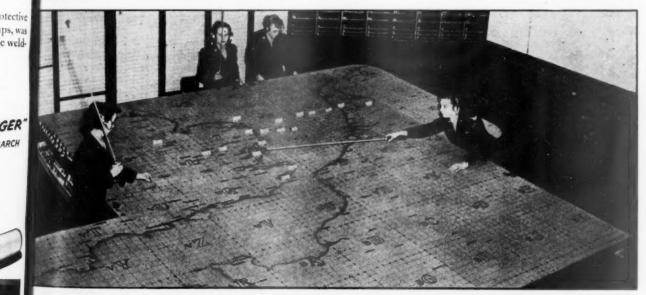
• What About Forced Sales?—Forcing farmers to sell porkers and cattle would have both short-range and long-range advantages:

 It would make corn available (relieving the strain on wheat which, despite all established economics, is substituting as livestock feed).

(2) It would supply more meat to the rationed populace (even though it might borrow from our future meat supply, and rob liberated areas of brood stock needed to reestablish their Nazi-depleted herds).

(3) It would lessen the danger of livestock raisers' ending this war with livestock substantially in excess of peacetime meat needs of the nation.

• Smaller Flocks Urged-Dept. of Agriculture, as early as last fall, began tell-

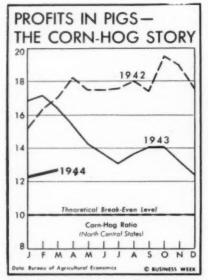


KEEPING IN TOUCH

On a huge table map at a secret air base in England, Wacs keep tabs on the far-ranging fighter planes of the

U. S. Army Eighth Air Force. Periodical reports from each squadron control the movement of its identification tag which traces the flight's route to and from the objective. Thus

orientation of the Eighth's squadrons of P-38's and P-47's is maintained constantly at their home field as they sweep the invasion coast or protect bombing missions over Europe.



If corn sells at \$1.17 a bushel, present Chicago price ceiling, hogs ought to bring at least \$11.70 a hundredweight. That is the arithmetic of the old ruleof-thumb standard, embodied in the 10-1 corn-hog ratio, by which rural America decides either to sell corn or to raise more hogs and feed the corn to them. Actually, of course, some farmers who raise all their own corn can fatten hogs profitably at less than a 10-to-1 ratio, while others who buy corn require a higher ratio; most today say they need at least 11-to-1. After a sustained drop from the 1942 peak of almost 20-to-1, the ratio is headed up again-and hog raisers are flirting with the idea of more little pigs.

ing farmers that it would be advisable to reduce flocks this year. Sows, said the bigwigs, should be farrowed in greatly reduced numbers. Hogs should be sent to market lighter—with less corn-turned-to-fat on their sides. Cattle should be fed more on grass and less on corn, should be sent to market in greater numbers.

For a while, the advice took. It accounted in part for the glut of hogs in stockyards and for the pickup in the amount of beef that was available for consumers.

• Livestock Held Back—But farmers, notoriously, do their own thinking. Government-supported prices for hogs and cattle were better than ceilinged prices for corn. It gradually became evident that chances were small of the European war's ending as soon as many were thinking last autumn. "So," they figured, "why sell just yet?"

In the heart of the corn-hog country, top-flight Iowa experts figured in January that this spring's farrowings (for marketing next fall) would be down 20% or more. Now they figure that the maximum reduction will be only about 12%

• The Cattle Problem—Cattle are much less of a problem. Operators of feed lots have reduced the scope of their finishing substantially because (1) better-grade feeders are hard to come by at prices that hold any prospect of profit, and (2) the government's rollback subsidy on live animals is relatively more favorable to grass-fed than to corn-fed beef.

Yet their is no ceiling on live cattle, and the fancy hotel and restaurant buyer is willing to bid for quality beef. Corn is still going into feeders, even though most of this stock is being "warmed up" rather than finished to the king's taste.

• Obvious Solution—People who are feeling tough about corn offer the obvious solution: Set ceilings on hogs low enough so that growers will increase selling and cut farrowing; put ceilings on live cattle that will do the same thing.

Practical fact is that Washington wouldn't take these steps even if this were not an election year. It was officially announced long ago that the support price on 240-lb.-to-270-lb. hogs (size favored by government supports because they haven't been brought up to too-high weights) would drop from the present \$13.75 a cwt. to \$12.75 next October.

War Food Administration and OPA felt it was axiomatic that the ceiling would come down from \$14.75 to \$13.75 at the same time, said so publicly and in no uncertain terms. But it is significant that nobody has heard a word about a reduction in the ceiling price for weeks now.

• Wheat Imported—Meanwhile, we import Canadian wheat to feed eastern dairy herds and poultry flocks. (Commodity Credit Corp. long since sold off its holdings of wheat.) We could buy from the Argentine, but the inimical position of that country's new government (even more than the scarcity of ship bottoms) makes such trade seem unlikely.

On top of everything else, grain distilleries are sucking in the last vestiges of what was, 25 months ago, the biggest wheat surplus on record to make alcohol for synthetic rubber and smokeless powder.

Most hopeful signs:

Corn planting this year will approximate the government's goal of 100,000,000 acres; with luck on the weather, we'll top 3,000,000,000 bu, for the third year in a row.

Farmers have indicated they will plant a 170,000 acres of oats (up more an 3 m 000 from 1943 and 6,500,000 above a government goal). Oats can be about a for corn—and are ready for market may earlier. If owners of corn see a good crop oats coming on, they may begin to let go the coarser cereal in August and September

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Crop weather, ominous last fall and we ter, has taken an almost unbelievable turns the better in the last two months.

Farm Pinch Past

Grass roots congressment pulled plug on war unit system of draft deferments, so farmers will keep most of their labor.

Although trade and industry will have their hands full of manpower trouble for the next few months, farmers will feel the labor squeeze only indirectly. Manpower experts now predict that any shortages in farm labor will be localized and temporary.

• Won't Be Fine-Screened—Farm congressmen have just set Selective Serves back on its heels following its attempt to weed out some of the 1,700,000 agricultural deferments. This means that unless the military situation becomes desperate, farm workers won't have to go through the same fine-screen reclassification that industrial deferments now are getting (page 98).

Farm workers have been protected from the draft since November, 1942,

THAT CORN "SET-ASIDE"

It took War Food Administration a long time to get around to a "set-aside" on corn—and when the boys finally acted, they had their fingers crossed.

Corn in country and terminal elevators was on consignment. If a percentage is set aside for allocation by the government to grinders, the outcome is that almost all of it is reconsigned to the original consignees.

WFA knew this, told all comers so in hoarse stage whispers. WPB, however, was interested in the case of the corn grinders, because comstarch and other industrial products were needed badly. WPB simply said to WFA, "You've got to do something."

to do something."

So WFA did. First set-aside order was for 35% of the corn in elevators. Last week end this was upped to 60%. Results, authorities say, will be negligible.

plant a the Tydings amendment to the Selecian 300 c Training & Service Act. This simply above a cructs local boards to pass up any substrate resary man engaged in essential agriacted in the who cannot be replaced.

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de to the local boards, Selective Servhad the Dept. of Agriculture work the much-debated war unit system rating farm work. A war unit was fined as one cow, or the equivalent in ultry, other livestock, crops, woodcutand the like.

As a starter, Selective Service advised all boards to make eight units the minum grounds for determent and to m on raising the ante to 16 units as on as underemployed farm workers of time to make the adjustment.

Order Defied—Six weeks ago, Selective evice notified the local boards that the me had come to make 16 units the inimum. In the fight that followed, aft officials found themselves bucking of only the farm congressmen but their sen local boards as well. Some boards, articularly in the Southeast, simply ignored the new instructions. Finally, elective Service agreed to abandon the mit system entirely, leaving agricultural elections to the discretion of the

Although a few draft officials still upe that local boards will tighten up oluntarily, most of them have given up he idea of getting at deferred men in lasses 2-C and 3-C. Hence, farmers can wint on keeping practically all of heir 1,700,000 deferred workers. About 1,000,000 are nonfathers, of whom hout 570,000 are under 26 years old.

Not a Net Gain—Failure of the war mit system isn't a net gain to all farmers, however. War Food Administration and the Dept. of Agriculture had been bunting on the boost in the unit remirement to help them pry workers off absistence farms and relocate them.

The big problem in farm manpower of the moment is not a shortage of workers but ineffectual utilization. In a 1940 survey, the Dept. of Agriculture discovered that only 32% of the country's farms provided full-time employment for at least one worker.

or at least one worker.

Discrepancy Noted—Nobody knows how much the war has changed this picture, but experts figure that close to two-thirds of the farm population accounts for only one-fourth of production. Another Agriculture study indicates that the Appalachian region alone could have spared about 450,000 workers, 300,000 of them men, without making any difference in the 1943 crop goals.

Application of the war unit system made these differences in productivity stand out. In the South, eight units were the going rate for a deferment, but else-

where the minimum was usually higher. Iowa boards, for instance, insisted that it took 24 units to make a farmer. Illinois used 20. In parts of Wyoming, the minimum ran as high as 30.

• Goals in Sight—In spite of underutilization and immobility of labor, farmers already can see most of the manpower they will need to meet 1944 crop goals.

Although about 4,000,000 workers have moved out of agriculture since the start of the war, the unemployed or underemployed farm population has provided a reservoir of replacements. Employment now is running about 400,000 less than peacetime average, but increasing hours have made up for part of the difference, and since most of the new workers have gone to the more productive farms, their effect on output has been greater.

• Temporary Workers—WFA has a \$35,000,000 budget to recruit 4,000,000 workers in addition to the regular farm labor force. These will be temporary workers, but WFA thinks they will be enough to get farmers over the seasonal peak as they did last year when 3,500,000 extra hands turned out to get in the harvest. In addition to this temporary recruitment, WFA is organizing 126,000 experienced farm workers into flying squads that can move into a region threatened with a shortage.

Paperboard Crisis

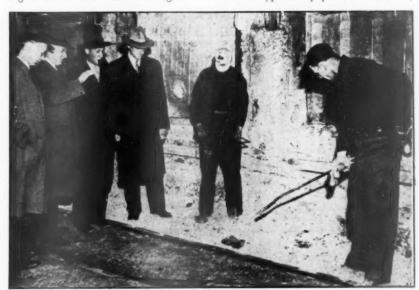
Huge demands for military packaging, shortage of pulpwood, bring preferred status for some paper, all paperboard.

An Army field-ration line barely escaped shutdown last week for lack of packages. Late delivery of pulp had delayed the board mill on which the box factory depended for its supplies of raw material.

The boxmaker saved the day by borrowing a few truckloads of empty packages from another customer's reserve inventory. But the narrow squeak probably took a year off the lives of the supplier, the customer, and the Quartermaster officer who was responsible for keeping the rations flowing to the troops overseas.

• WPB Moves In—That situation, multiplied by thousands, represents a critical nation-wide shortage that has been building up for months.

The steadily heightening emergency in packaging and shipping materials forced WPB this week to set a preferred production status on about 60 types of paper and all types of paperboard. Earlier,



WAGE PANEL ON TOUR

While digesting the C.I.O. steel union's bid for a 17¢-an-hour pay boost (BW—Apr.1'44,p15), two members of the National War Labor Board steel wage panel get their first close-up view of the industry. In the party touring the Jones & Laughlin steel mill at Aliquippa, Pa., are (left to right) Stephen

Levitzky, union representative and panel member; Harry Saxer, plant superintendent; and the panel's two public members, N. P. Feinsinger and David L. Cole, neither of whom had been in a steel plant before. The panel is preparing to hear next week arguments opposing the wage hike by the 94 companies involved in the case, and employing 80% of steel's labor.

WPB had taken complete control of container board, the No. 1 scarcity. From now on, in addition to container board, WPB will require mills to produce in full the scheduled amount of paper and board on the preferred production list even though output of other types of paper should fall off.

Among grades of paper and paperboard on the preferred list, in addition to container board, are some photographic and blueprint papers, postal cards, target paper, map and chart paper, unbleached kraft wrapping paper, multiwall bag papers, industrial towels, nap-

kins, and sanitary tissues.

• The Cause—All kinds of paper and paperboard are critically short (BW—Oct.30'43,p19) because supplies of pulpwood from the forests (and of waste paper from the junk yards) are in less than adequate volume, and because, despite WPB conservation and limitation orders, consumption of almost all grades of paper and paperboard was higher last year than the year before (charts, below). But the emergency pivots on paperboard, which is used largely as a packaging material.

War requires an ever-increasing volume of packing. This, in turn, requires ever-increasing percentages of the total output of pulpwood, pulp, and waste paper. The resultant stringency makes it necessary to extend governmental controls over the raw materials and the end uses of the finished products.

The Effect—Publishers, printers, converters, and the various other major consumers who are today sharply rationed in their allowable use of paper might be hard to convince that what they are currently wrestling with is really a shortage of paperboard, not of paper.

But if war's greediness for paperboard were stayed, users of other paper products, for either war or nonwar uses, would hardly feel a continuing pinch.

• The Groups—The most recent Washington analysis of the pulp and paper situation breaks down the statistics by three major classes of use.

Class I is purchases used directly by the armed services, by war plants, and

for export.

Class II is other purchases used largely to maintain a war economy in such industry groups as communications, transportation, public utilities, health and welfare, agricultural products, drugs, and construction.

Class III is purchases used predominantly to maintain a civilian economy from which most of the nonwar frills have already been rather effectively

stripped.

 The Figures—The following table, compiled from published government figures, shows what percentage of the total paper and paperboard output by major types of product goe to each these three classes of users:

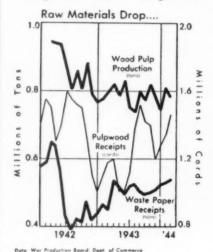
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these three classe	2 01 (126)	5	
Type of Paper	Class I	Clasti	Che
Coarse multiwall .			-
Book	1.7	4.8	1
Building		1.5	
Fine	3.2	0.9	- 1
Special industrial	1.2	11.2	1
Newsprint	0.2	3.6	
Groundwood	1.0	0.7	
Sanitary	1.7	11.5	1
Tissue		11.2	1
Absorbent	0.3	0.1	
Total paper	14.7	19,3	16
Container	16.6	2.7	
Folding	2.5	7.6	
Setup		1.3	
Cardboard	0.1	0.1	1
Building board	3.0	2.3	
Other board	0.6	0.2	
Total paperboard	1.,23.9	14.2	1
Total paper and			-
paperboard	38.6	33.5	2

 The Struggle—The basic difficulty raw materials supply is easy to gas but hard to alleviate.

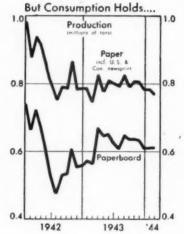
Pulpwood cutters left the woods in military service or more pay, and go ernment efforts to reverse the trea have been only partially effective. Pa oners of war are cutting some pulp log Draft-age farmers were induced to ca pulpwood last winter by extending aga

Squeeze Play On Pulp, Paper, and Board

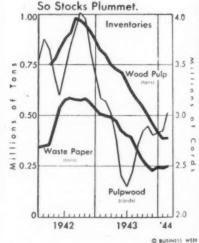


Pulpwood is the key to the paper problem. It's made into (1) newsprint and (2) wood pulp. Wood pulp becomes paper and paperboard, though waste paper also enters into the latter. After the shortage scare of early 1942, demand for paper and

board fell sharply in mid-1942, only



to rebound later and mount sharply. Meanwhile, pulpwood supplies to-bogganed, due to lack of labor in the woods, and waste paper collections lagged. Output at all levels of the industry was affected, and serious drains on stocks resulted. So, WPB was forced into tight control over pulp



supplies and paper quotas. Also, farmers were pressed to cut pulp, and supplies improved. Now, better supplies are better controlled and better balanced with consumption in paper and board. Essential supplies are still tight but are not as short as it was feared they might be.

thread deferments to the woods. Patridrives coaxed many a prosperous mer from his warm kitchen to his a woodlot. Price ceilings on pulp

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pulpwood have been raised. The Results-All of these together ild only temporarily arrest the shrink-of paper-mill woodpiles. The 1943 i of 13,000,000 cords was beaten by hare 96,000, and imports brought al receipts to 14,816,000 cords. But sumption reached 15,171,000 cords. Domestic production of 14,000,000 ids is WPB's goal for 1944. To reach mill take real hustling by the men who mill in the woods and on farms.

Inhappy Memories—Of comparable portance is the need for waste paper, ticularly by board mills.

The waste paper crisis was handled why, in part because of sorry memos from 1942, when a nation-wide we produced a flood of waste paper meet a sharply increased rate of mill numption. Unfortunately, paperard sales fell off then even more apply than they had risen, leaving treendous outdoor storage piles of perhable waste paper which had to be med. Washington faces have been dever since, and the public has been thetic

Salvage Campaign—In today's emerncy, public enthusiasm has revived, peals have been many. The Army rvice Forces last week begged citizens redouble efforts to salvage waste per, estimated that 75% of what is smally thrown away must be saved

Walter P. Paepeke, president of the ntainer Corp. of America, this week d his stockholders that waste paper rtage is becoming increasingly seri-He pointed to the adverse effect paper collection of junk and pushcollectors' leaving for better paying and lamented the unsalvageable third of all containers.sent overseas. Other current handicaps to producare shortages of machinery. Motor ucks used in the woods wear out pidly, and nobody thinks the pulpood loggers will get the 6,300 medn-sized trucks which WPB estimates their minimum need this year. Mill achinery is theoretically obtainable, t most mill men consider it beyond

Prophecies — Washington prophecies or 1944 paper and paperboard output it so hedged that optimism is difficult a detect. Biggest, least probable "if" if military demand does not increase inportantly during the year.

Individual manufacturers report heaver war orders. The Quartermaster Corps forecasts 1944 needs exceeding a 1943 purchases of nearly 600,000 ons. Government demand for water-

proof paper rose sharply in the first quarter of 1944.

• Stretching the Supply—Reasonable hope of stretching this year's paper products across demands lies in more effective use.

WPB late in March extended its control of civilian shipping containers downward from 0.06-in, minimum thickness to 0.045 in. War Food Administration is plugging used containers, and the secondhand market has soared. The railroads, recling under highest-ever loss and damage claims, are none too happy over WPB's pressure to reduce container specifications.

• New Methods—WPB's Conservation Division is urging retailers and consumers to avoid needless wrapping. Boxmakers suggest redesigning containers and boxes, are issuing sheets showing practical ways to get more carrying capacity per square foot of board.

But all box men know that possible savings from changing shapes and sizes are now limited by capacities of existing packaging machinery, which cannot be modified until replacement parts are again obtainable.

More for Morale

Washington begins to give organized attention to civilian needs. Essential services receive aid from OCR division.

Finally convinced that women will stay home from the aircraft plant to do the family wash if they can't get it done in a commercial laundry, and that bowling alleys and beauty shops can contribute to workers' morale and productivity, Washington is giving the service trades some organized attention.

 Self-Rescue—These trades have been among the most forlorn orphans of the war program. They are made up of many diverse units, most of them small and ill-equipped to deal with wartime problems themselves or to demand and get recognition and adjustment of their troubles.

In the early days of the war, most of them made out all right—by and large they were doing better than ever before. When troubles did crop up, Washington shut one eye and trusted to individual initiative to find a way.

By the middle of last summer, however, the troubles had become a plague which could no longer be overlooked.

In addition, it was just about this time 'that WPB swung around to the view that war production will suffer if war workers aren't assured of acceptable living conditions—which apparently in-



Washington's realization that civilian services are vital to war work is old stuff to industry. Thus West Coast aircraft firms—themselves short of help—have been using newspaper displays to advise service workers to stay put,

clude laundries, bowling alleys, beauty shops, and all the rest.

 Divisions Established—One result was that the consumer service sections were taken out of WPB's Service Equipment Division and elevated to full-fledged division status themselves.

The new Service Trades Division was assigned to the Office of Civilian Requirements (BW-Jul.31'43,p14). The division was not given jurisdiction over many important trades already assigned to other government agencies, or other sections of WPB (transportation to the Office of Defense Transportation, automotive repair to the Automotive Division of WPB, etc.). But it was given responsibility for a large cross-section, including hotels, apartment houses, office buildings, restaurants, industrial feeding, recreation, textile cleaning and maintenance, building trades, sundry business and personal services (including everything from banks to pest control), and a flock of repair services.

• Handicaps Surmounted—Like the rest of OCR, the division's effectiveness is limited by its inability to follow through.

Its job is to diagnose the illness, prescribe a remedy, and then persuade somebody else—other sections of WPB (if the trouble is a shortage of materials), the War Manpower Commission or Selective Service (if it is manpower), OPA (if it is price)—to administer it. But within these limitations, the division has succeeded in providing a considerable measure of relief.

• Regional Troubles—Its job has been somewhat eased by the fact that service

trade troubles frequently are regional.

The armed services have blocked ambitious programs to produce washing machines, refrigerators, and such for general civilian consumption, but they can be persuaded that help for the laundry industry in Los Angeles will also help war production, or that a new theater in a Norfolk suburb will provide war workers with needed recreation.

• Laundries Aided—The first big job the division tackled after it got organized last summer was the laundries. At least partly as a result of its efforts, the laundry situation in most of the country is now merely tight instead of awful.

Relief measures included prying wage boosts out of the National War Labor Board, somewhat higher prices out of OPA, more equipment out of WPB, and (in the case of the Cape Cod area, where the Army had taken over virtually all the laundries) farming out the local wash to other communities.

Laundry service probably will tighten up over the summer, since there's no longer any slack to take care of the seasonal influx of white suits, extra shirts, etc., but it isn't expected to relapse to the state it was in a year ago. One thing that will help is recent WPB approval of a program for producing \$10,000,000 worth of commercial laundry equipment.

The only segment of the laundry industry now giving serious trouble is the linen supply business. Linen supply companies, caught in the general textile shortage, have been pleading for allocations of textiles, etc.

 Hotel Problem—Not all the trades the division takes care of are equally troublesome. Right now, hotels, pest control, and electrical repairs rate among the worst problems.

The hotel problem boils down to a simple shortage of space in most war

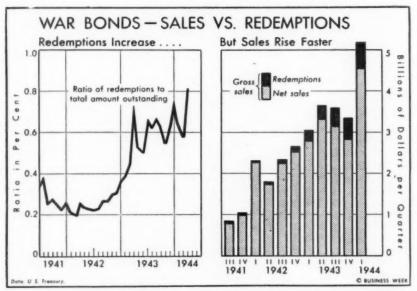
Some measures, such as establishment of clearing centers, have helped. But OCR, anxious to get more sleeping space even if it means turning the ball-room into a men's dormitory, is making slow headway against the desire of many hotels to maintain high service standards.

• Pests and Irons—Pest control involves a shortage of trained supervisors (which OCR is trying to remedy with the help of Selective Service and United States Employment Service) and supplies, particularly spray guns and Scotch tape.

The division's worries over the acute shortage of trained electrical repairmen is overshadowed by the even more acute shortage of repair parts.

As regards the latter, the Service Trades Division apparently is working at cross-purposes with the rest of OCR.

A program for producing 2,000,000 electric irons is one of OCR's pets. The Service Trades Division would rather see manufacturers spend the manpower and materials on spare parts—heating elements, cords, and handles.



The rate at which war bonds are cashed in was speeded up in 1943, with peaks coming at income tax time, as during last month. "Money back" on E bonds ("the people's bond") actually was 14% of the total outstanding in March, but the over-all average

was reduced because redemption rates were lower on F and G bonds, and on prewar issues A through D. Higher redemptions, and lower sales, began to cut down net Treasury receipts of savings funds in 1943, but the Fourth War Loan scored a huge success.

What Hitler Los

Onrushing Red Army g vast resources. Vital oil, o lie behind Vistula-Carpath line, where Nazis may try sta

On the eastern front, three giga elements of the Red Army are dra westward into Poland, into Ruma and along the Black Sea littoral.

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With the German army split by Second Ukrainian Army's thrust to Carpathians (map, page 21), the fate Balkan Europe hangs on the ability the Wehrmacht to defend the soil satellite Rumania. If Rumania is he the whole southern front may break the whole southern front may break the More Today the most timistic hope in Berlin must be that Vistula-Carpathian line can be he This is an admission that the three

war in the east is irretrievably lost.

The cost to Germany must be me ured in millions of men, and billions dollars worth of equipment.

Lost Resources—Of equal important
 at this juncture, is the loss of econor
 resources which inevitably will weak
 German resistance to an overwhelm
 Allied attack from the west, north, a
 south.

At the height of the offensive in Russia, the Reich was in possession all of the Ukraine, all of Byelorus part of the Caucasus. In the Leninga Odessa-Stalingrad triangle was a mashare of the developed resources and dustry of the Soviet Union. Hitler's in gain—despite systematic scorching are removal of some industrial plants by the retiring Russians—measured millions tons of minerals and foodstuffs, million of enslaved workers, and substant plant facilities for the exploitation captured resources.

• Farms and Coal-From Soviet tentory, Germany moved some 4,000,01 laborers to the farms and factories of the Reich.

To the farms of the Ukraine, German sent technicians and agronomists—ever some farm equipment—to boost agricultural output for home consumption Military units rehabilitated the for processing industries of the Ukraine supply the eastern fighting front.

The coal mines of the Donbas fed a vived industries, military encampment and railroads operating between Go many and the front.

Nitrates and Manganese—The Blacksea ports of Odessa and Nikolaev became centers of trade between the new German colony of Ostland and Rumnia, Bulgaria, and Turkey—and by woof the Danube, the Reich itself. Export

Natural barriers describe the line along which Germany may stand in the East. From the Black Sea the line runs west along the Danube, cuts to the Carpathians, turns northwest along this range to the Vistula, north along the Vistula past Warsaw, and by a string of lesser rivers and lakes to the Baltic Sea.

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The Red Army is within striking distance along the southern half of this line. The First Ukrainian front is only 100 miles from the Vistula. The Second Ukrainian front is already in the Carpathian foothills, and only 200 miles from the Ploesti oil field north of Bucharest—source of nearly one-third of Germany's total oil supply.

When the Wehrmacht falls back to its strongest mountain-river defense line, it will have lost all of the territory and resources for which the Soviet war was fought:

(1) In the Baltic states: dairy products, meat, oilseeds, fish, potatoes, grain, and oil from Estonian shale.

(2) In eastern Poland: meat, oilseeds, potatoes, grain, fibers, woodpulp, cement, oil, and potash. (3 In the Ukraine: sugar, meat,

(3 In the Ukraine: sugar, meat, grain, coal, iron, manganese, phosphates, salt, kaolin, and mercury.

(4) In Bessarabia and Bukovina: oilseeds, sugar, grain, fibers, and manganese.

(5) If the Red Army breaches the line between the Carpathians and the Danube delta on the Black Sea, the rest of Rumania—including Ploesti—will be exposed. Bulgaria—with which the Soviet Union is not at war—and German-held Greece may be lost. A Red Army junction, through the Iron Gate on the Danube, with Yugoslav guerrilla forces would ring Germany on the east and south just when the Allies launch their attack in the west.

With an eastern empire won and lost in battle, Germany stands to lose another in the Balkans as shaky satellites grope for a way out and subjugated nations rise against the occupation armies. Already the people of the Balkans are withholding grain, livestock, and mineral resources in expectation of German defeat.

WHERE THE GERMANS HOPE TO STA AND WHAT THEY HAD HOPED TO KE SWEDEN 1 GERMANY Budapest Odesso HUNGAR KUGOSTAVIA RUMAN Bucharesto 46. (5)

from these ports included surpluses of sugar, timber, grain, and—after the loss of North Africa—nitrates and other fertilizers. Very little coal, above local requirements, was mined in the Donbas.

From Nikopol, the world's richest manganese deposit, the Germans obtained no more than 150,000 tons a year. Including manganese taken from Labinskoe (in the Caucasus) during the brief 1942 occupation, and from Nikopol (held for more than two years), the Germans obtained about 300,000 tons—only a little more than one year's production of Axis Europe. Soviet prewar output topped 1,300,000 tons, which

was drawn chiefly from these sources.

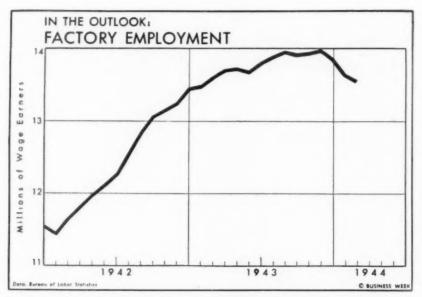
• Plants Destroyed—At Krivoi Rog, the Soviet Union's richest iron deposit (62% iron content), the Germans not only obtained substantial quantities of ore but apparently succeeded in opening a number of the biggest Soviet blast furnaces, abandoned and not totally destroyed by the retiring Red Army.

But when the victorious Red Army returned, it recaptured hundreds of important plants—some of which have been put back in operation, either by the Germans before they fled or by the Russian workers following on the heels of the army. These plants include iron

and steel mills, a coke and chemical plant, a structural steel works.

From them Germany must have obtained considerable war materials during 1942 and 1943. Now the productive capacity and raw materials of the Ukraine, Bessarabia, Bukovina, and part of Poland are already lost to Germany. Outside the Vistula-Carpathian line—but not yet lost to the Russians—is a larger part of Poland and the Baltic states.

• Total Loot—Lost—if the Wehrmacht is forced to this line—is the wealth of eastern Europe. Under conditions of exploitation by a ruthless occupation



Spottiness in the industrial labor market is reflected in the dropping of more than 400,000 persons from factory job-rolls between November and February. Some labor was released by cutbacks—as in small arms ammunition. But employment also fell off in such labor-short lines as lumber,

textiles, and food. Biggest drop came in war lines—machinery, autos, aircraft, shipbuilding—in part because efficiency improved, requiring less labor to meet stable munitions schedules, but also in part because workers were not available where needed, thus causing a drop in arms output.

force, this wealth may well have included the following (in metric tons ver year): Dairy products 200,000 Meat and fish..... 1,000,000 Potatoes 300,000 Sugar 1,000,000 Oilseeds 300,000 100 Manganese 150,000 Coal10,000,000 to 20,000,000 Iron 5,000,000 to 10,000,000 Fibers 130,000

• Behind the Next Line—And the Vistula-Carpathian line is virtually the last stand in the east. A breach in the south will open the door to the Balkans, in the center to Hungary and Czechoslovakia, and in the north to East Prussia and Germany itself.

Behind this line is the oil of Rumania, the iron, coal, and steel centers of Silesia (in Poland), and the eastern war industries of the Greater Reich still untouched by Allied long-range bombers. This is the heart of the Reich which must be protected to pump war materials westward to meet an Allied invasion.

Unless the eastern front can be stabilized, even the increasing concentration of defense forces achieved by the shortened line and restriction of territory will not permit the transfer of forces from east to west.

DENIM MILL AUCTIONED

Despite efforts of the War Production Board and the Office of Price Administration to keep it going as a producer of sorely needed denim (BW-Mar. 25'44,p44), the bankrupt Samoset Cotton Mills of Talladega, Ala., has been auctioned at public sale to the Wehadkee Yarn Mills of West Point, Ga., and Roanoke, Ala.

Now Wehadkee is appealing to WPB from the directive which required Samoset to turn out a specific yardage of denim (and which was at least partly responsible for the mill's downfall, since Samoset—a marginal producer—couldn't make both ends meet under the denim price ceilings fixed by OPA). Chances are that WPB will grant the appeal, since Wehadkee plans to convert the mill to the production of duck, now almost as badly needed as denim as a result of the Army's new shelter tent program.

To keep Samoset in production, OPA had allowed price increases which gave it a higher ceiling than other denim producers. Work clothing manufacturers said they couldn't afford Samoset's denim, so Defense Supplies Corp. was persuaded to take over the mill's output. DSC is still trying to find a buyer

for the goods.

No Layoff Here

Record flocks of layer stimulated by unusual weather bury WFA price support effor under mountains of eggs.

Congressional demands that the W Food Administration do something support the sagging egg market lest a ducers cancel their usual spring up for baby chicks and quit business has anew this week the ancient quest "Which came first, the chicken or egg?"

egg?"
• Caught Flat-Footed—Obviously, in answer had to be "the egg," so W. Food Administrator Marvin Jones as with 15 midwestern senators to be complaints that egg prices in the whole sale markets had fallen to 20¢ a day 12¢ below the government supportion.

The hail storm of eggs appeared a have caught WFA flat-footed. But be midweck WFA had decided to guaratee farmers at least 26¢ a doz. for egg WFA designated egg companies in an ous parts of the country where pree had sagged as its agents to buy eggs a not less than 26¢ a doz. The eggs were to be resold to WFA at 29¢ a doz.

• Weather Too Good—What had hap pened is this: Egg production on U.S farms in the first two months of 1944 was 14% greater than a year earlier Layers on farms were 5% more numerous than in 1943, and, stimulated by unusually favorable weather, the average hen was producing 7% more egg than a year ago.

There was no indication that production would decrease. The Dept of Agriculture reported that total egy production will continue to increase well into the third quarter of 1944.

• Flocks Reduced—Civilian demand for

• Flocks Reduced—Civilian demand for eggs apparently has been stronger than a year ago. But because of much larger supplies, prices have been lower. This resulted in a record into-storage movement, until cold storage plants began to bulge.

Even before egg prices started downward, demand for baby chicks was below 1943 figures. Hatchery production in February was off 7%. In Kansas, poultrymen cited figures to show the stead liquidation of laying hens in the past few weeks as a straw in the wind. It was agreed that replacements in flocks would be only 80% of last year, whereas the government is asking for 90% replacements.

 WFA Efforts—Whatever the effect of WFA's new price support program, poultrymen recalled that in the four HOW ABOUT CUTBACKS?

WHEN WILL MORE STEEL FOR CIVILIAN

PRODUCTION

BE RELEASED?

SHIELDATIONS

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Here are the facts...

• Many companies in the metal-working industries have recently experienced cutbacks in war contracts and there is some evidence of planning for partial reconversion to commercial production. As a result, a number of manufacturers are already circulating lists of odd steel stocks and excess inventories. More lists will appear as cancellations, design changes and manufacturing trends follow the tide of war.

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While there is no real surplus of steel at the present time, there are sound reasons for a conservative buying policy. First, you will help war production by making steel available for those who need it immediately. Second, it is good business to keep your inventory at a practical working level. Steel overstocks may be dynamite. Cancellation

of a contract or a change in design can overnight leave you with an excessive or obsolete steel inventory. There was a time when this conservative inventory policy might not have been sound from a production standpoint. However—most warehouse stocks have been built up so they now can quickly meet any demand.

Ryerson is particularly well suited to serve your day to day or emergency steel requirements. Large and complete stocks on hand for immediate shipment provide a safe, dependable source for every steel need.

Joseph T. Ryerson & Son, Inc., Steel-Service plants at: Chicago, Milwaukee, St. Louis, Cincinnati, Detroit, Cleveland, Buffalo, Boston, Pittsburgh, Philadelphia, Jersey City.

PARTIAL LIST OF STEELS IN STOCK

BARS . SHAPES . PLATES . SHEETS . TUBING . STRUCTURALS . CARBON AND ALLOY STEELS . TOOL STEEL . ALLEGHENY STAINLESS

RYERSON STEEL-SERVICE



SALVAGE CAMPAIGNS both at home end at their work are aided by the efforts of Breezo men and women.

RED CROSS embulance, station wapon and special car denoted by

Our Third Front

VICTORY DEPENDS ON WHAT WE DO AT HOME AS WELL

THERE IS a Third Front, here at home, on which the men and women of Breeze are fighting. Putting 10% and more of their pay in war bonds, giving blood regularly to the Red Cross Blood Bank, cooperating to the fullest extent in civilian defense activities and government war campaigns, Breeze workers are a part of the great team that is backing up the boys at the front.

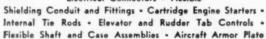
Without this teamwork, the efforts of our fighting men might well be wasted.

And in addition to their outside work, the men and women of Breeze are on the job day and night, turning out in tremendous quantities the well-known Breeze products which are serving America today on fighting fronts the world over.

A Few of the Many Breeze Products in the Nation's Service



Radio Ignition and Auxiliary Shielding • Multiple Circuit Electrical Connectors • Flexible





PRODUCTION FOR VICTORY . PRODUCTS FOR PEACE

weeks ended Mar. 18, WFA had p chased 146,593 cases of shill egg price support purposes, and that had not overcome the influence of record production.

Glimp

Since the beginning of the purk ing program in late December, 14 through Mar. 18, 1944, WFA had tempted to support the market by the purchase of 385,354 cases.

Jeep Gets a Chill

Detroit is aloof to Army puddle-jumper despite determ nation of Willys and Kaiser t market it after the war.

Not since Ford abandoned the Mod T and put out a gear shift car in November, 1927, has a new vehicle commande the interest aroused by the Armijeep. In action everywhere, doing pratically anything, it has captivated put lic imagination and is being hailed a postwar answer to all things automotive.

• For All Purposes—The impression given by the surveys and blurbs is that everyone will want a jeep—the farmer for his work, the youngster for a run about, the family for an economy can be a vidence, enthusiasts point to the spirited bidding for the first reconditioned jeeps returned from the battle fields.

But war-whetted public interest todal and postwar interest may be two different things. In Detroit, where emotion retreats before cold logic in weighing new model chances, opinion is that the jeep's selling fields are sharply delimeated, perhaps narrower than expected. The volume producers, therefore, will stand back and let small or new companies test the market.

• One Is Certain—As matters stand today, three firms—jeep producers for the services—have a jump on the field. But one, Ford, is unlikely to build a postwar jeep. The entry ticket of a second, American Bantam Car Co. Butler, Pa., is dubious, because it has already stopped producing its wartime jeep and may lack big-league capital. The third, Willys-Overland Motors, Inc., plans to stake a good share of its postwar destiny on the little Amy vehicle.

Those three alone have built the jeep. Original design of the job is generally credited in engineering circles to Karl K. Probst, Detroit engineering consultant for American Bantam.

 Half a Million Strong—Probst's design was approved, and contracts were awarded American Bantam, Willys, and glimpses into the wonder world of tomorrow



"... and rush a gross of Quick Frozen Georgia Peaches"

FANTASTIC? Stop and think a minute.

Today, American men and goods reach into the world's far corners. Every introduction of American wares on foreign soil makes our postwar market that much bigger. And development of cargo-plane transportation will bring this vision even closer to reality.

But what kind of package would fit into this picture? Would it have to be light? Compact? Offer better protection from spoilage and soilage? Eye-appealing?

The packaging knowledge we have gained during eighteen peacetime years of research and development is now being amplified in the solving of many wartime packaging problems. This experience will help Du Pont Cellophane play an important part in post-war packaging and merchandising.

FREE BOOKLET

An interesting booklet containing other advertisements in our series, "Glimpses into the Wonder World of Tomorrow," is yours for the asking. Write E. I. du Pont de Nemours & Co. (Inc.), Cellophane Division, Wilmington 98, Del.

Back invasion, fight inflation — Buy Bonds

Du Pont Cellophane

BETTER THINGS FOR BETTER LIVING . . . THROUGH CHEMISTRY

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Never again!

WAR production taught management the value of using 'Budgit' Electric Hoists instead of brawn and muscle for lifting heavy parts.

Executives found that they could replace strong men called into the service with older men or women who were even better for the particular jobs than the former workers who had been selected for their strength rather than skill.

Workmen produce much more at less cost when all their energy is devoted to producing instead of lifting. They are happier, too, for the fear of strain and over-fatigue is removed from their minds.

Proof of this is available in the many thousands of 'Budgit' Hoists now working in war industries. When war censorship is lifted, we can produce photographs and supporting evidence to show the value of 'Budgits' in increasing production at lower cost.

The value of 'Budgit' electrical lifting will be even greater when war contracts are finished and industries are back on a competitive basis.

'Budgit' Hoists are portable, electric hoists with lifting capacities of 250, 500, 1000 and 2000 lbs. They are priced from \$119 up. Hang up, plug in, use. For information, write for Bulletin 356.





'BUDGIT'

MANNING, MAXWELL & MOORE, INC. MUSKEGON 5, MICHIGAN

Builders of "Shaw-Box" Cranes, "Budgit" and "Load Lifter" Moists and other lifting specialties. Makers of Ashcroft Gauges, Hancock Valves, Consolidated Safety and Relief Valves and "American fedutarial Instruments. Ford. The Bantam contracts continued until orders snowballed into volume too large for the Butler firm to handle. Willys—which has passed the 200,000 mark this week—became the largest producer, with Ford not too far behind. Half a million of the little cars will soon have been built, and output is still strong, though it was recently affected by Army cutbacks (BW—Mar.25'44,p26).

Jeep distinction derives from light weight and ruggedness. The jeep's ruggedness derives from its heavier frame and power developed through twin driving axles. The light weight (2,200 lb. in today's models, against a Chevrolet-Ford-Plymouth average of around 3,000 lb.) derives from a smaller than customary engine, absence of finishing touches on body and interior, and lack of "soft" pound-absorbing suspension.

• Too Husky for Civilians—But the frame's huskiness is not necessary in an American market passenger car, nor is the second driving axle, say auto engineers. They consider the motor too small to meet normal-size car performance called for by purchasers, and they feel the buyers also want the finishing touches and adequate suspension.

Jeeps are being delivered to the Army at around \$700 today, say trade circles, against an expected "Big Three" postwar price average of about \$1,000 (based on a 25% increase over prewar levels).

• Without Commission—But this factory-to-Army price includes no dealer commission, which would raise retail price 20% to 25% above the factory figure. On that basis, the postwar jeep would have little advantage over the volume makes. And it would still lack the expensive, upholstered bodies of regular passenger cars, and their "prettied" interiors and exteriors.

Looking at these conclusions, and analysts feel the jeep must stand on a own merits as a specialty car. For the matter, Ward M. Canaday, president of Willys-Overland, regards the vehicle mainly for the farm market.

• No Tractor Substitute—Tractor per ple feel it cannot replace their product as it stands. Before the jeep can function as a tractor, they maintain, it ground clearance must be lifted and more important, its tread width must be made adjustable for row cultivation. But those changes need not be expensive to make.

But Willys sights the jeep as the answer for many miscellaneous tasks and for an export market. Power take off to operate farm machinery could be a strong inducement to rural sales. Employment on large ranches is practical because the jeep is essentially an off-the-road vehicle more at home on uncharted ground than roads.

• Export Product?—Foreign sales might prove a pleasant surprise. Outside the U. S. and parts of western Europe, roads are generally poor—if they exist at all. A jeep-type vehicle might well absorb a large share of a foreign market which has taken upwards of 200,000 American vehicles in boom years.

While the auto industry sees the jeep as a specialty product, a broader view is held by Henry J. Kaiser, who wants to build a postwar jeep (BW-Apr. 10'43,p24). Kaiser is aiming for the mass market. He is reputed to have in mind a modified jeep which would wed Army vehicle size, weight, and nimbleness with orthodox automobile comfort and stability.

Lockheed and Consolidated Vultee are reported to be thinking similarly. All major automobile companies can be expected to have something of the



Ward M. Canaday, president of Willys-Overland, who delivered his 200,000th jeep this week, is its principal champion among motordom's postwar planners.



Meet the dragon wagon

A typical example of B. F. Goodrich development in rubber

"Dragon wagon" is what the soldiers call this tank recovery unit. It is a mammoth truck trailer powered by an army-designed tractor, big enough to carry a 30-ton General Sherman tank on its back.

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> On the battlefield, the dragon wagon is used to haul away disabled tanks, carry them behind the lines to a repair depot.

> Tires for such front-line service presented an unusual problem. They had to be able to carry tremendous loads, to travel over rocks and desert

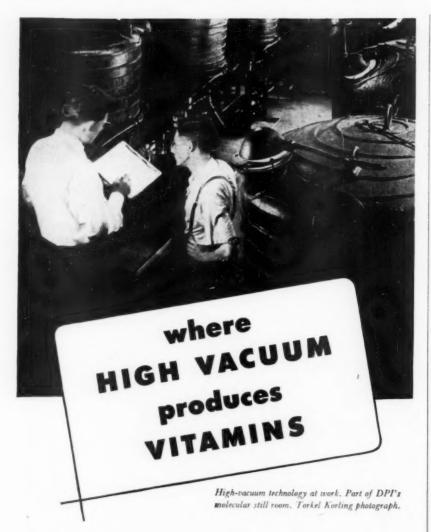
sand, to wade through mud and water - and to keep on going when hit by machine gun bullets!

For many army jobs regular B. F. Goodrich truck tires did the trick. For combat service special tires were developed of extra-thick rubber. These tires are built in such a way that when hit by a bullet the extra-thick sidewalls can support the load. And the tires are locked to the rim so that even when flat, the tire hangs on to the wheel. The vehicle can still travel.

It's because of these military needs

that tires for civilians are scarce, but some are being made. Those for passenger cars are all-synthetic (99.8%) and are almost as good as pre-war tires. Truck tires aren't yet as good, especially in intercity service with overloads, but are being improved day by day. If you can buy tires, go to a B. F. Goodrich dealer or store. You'll get synthetic tires backed by 17 years of experience with synthetic rubber in all kinds of products. The B. F. Goodrich Co., Akron, O. TIL

B. F. Goodrich Truck & Bus Tires



THOSE odd shapes in the photograph are some of the many high-vacuum molecular stills which turn smelly, low-potency fish liver oils into bland, odorless, stable, high-potency concentrates of vitamin A.

The production of these Vitamin A Esters* concentrates is one of our principal activities here at DPI. The production of high-vacuum pumps, gauges and other equipment is another principal part of our business. In the still room pic-

tured here, they work together. In fact, our vitamin "production line" has been the birthplace of many notable improvements in our high-vacuum equipment. And these vacuum equipment improvements in turn have helped us to produce more and better vitamin concentrates.

This hard-won experience of DPI in two distinct but related fields may be of great value to vou. We invite your inquiry.

*Protected by U. S. product patent No. 2,205,925 and more than 50 process patents.

Distillation Products, Inc.



Pioneering High-Vacuum Research

755 Ridge Road West, Rochester 13, New York
Jointly owned by EASTMAN KODAK COMPANY and GENERAL MILLS, NC.
Sales Agent: Special Commodities Division, General Mills, Inc.
Minneepolis 15, Minnesota

"Headquarters for Oil-Soluble-Vitamins and High Vacuum Equipment" sort on their experimental draws boards, but they will wait for othe to prove—or disprove—a market is them.

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• Not Enough for All—Should all use elements, outsiders and insiders and ultimately move into the jeep field, a market may be sliced so this that a company will be able to maintain ite in it. But established car company will not join the race until it pure worth while.

They remember well the failure a Bantam and Crosley to sell a limpriced lightweight car in any volume to a comfort-loving American public and they point out that Willys-Oreland, most successful entrant in the field, sold only 1% or so of the prevent market.

 Who Owns Name?—In event that the jeep makes a big splash, dispute much arise over ownership of its name.

Trade circles admit that Willys has done a highly successful promotional job of identifying itself with the product and likely has thereby staked out at least an "exploration and settlement" claim to the name. But this claim may be subject to counterclaims of two other firms.

Minneapolis-Moline Power Imple ment Co. maintains that the nam "jeep" really belongs to its husky 21-tor mover (BW-Aug.31'40,p33). M.M. says that a former employee, having joined the Army, so named the vehicle on the grounds that it was as versatile as the "jeep" of the Popeye comic strip.
• Army Called It "GP"-The second claimant might be American Bantam Car Co., on the basis of its design The story generally told with regard to the identifying of that product with the name is that the appellation derived from the Army designation of "GP" or "General Purpose" for the vehicle. Soldiers are said to have used these initials to make a name for the American Bantam job and later those of Willys and Ford as well.

CITRIN AIDS PSORIASIS

A minor new market for California lemons may be opening up as one result of New York University research on the fruit, conducted since 1940 for the California Fruit Growers Exchange.

Psoriasis is a disagreeable skin cruption, for which a cure has been sought for centuries.

Citrin, a substance found in lemon pulp, is the best common source of Vitamin P, or eriodictyol, believed to be the curative agent. Citrin lemonade can be made at home, being simply the whole fruit, crushed and boiled, giving a water extract of the peel, which also contains citrin.

American Linen

Production reaches point flimited offerings to retail rade. Cloth is made wholly rom Oregon, Minnesota flax.

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First American production of mejum-grade linen in dress and drapery eights, wholly from Oregon and Minicota flax, has progressed to the point here limited offerings are being made othe retail trade, a group of textile men isclosed this week.

New England Plant—Until this new evelopment, American spinning and eaving of linen had been confined to the coarser, low-end, or inexpensive fabrics. About three years ago a group of extile capitalists, whose identity has not ten disclosed because they are not yet in a position to make a general offering of their products, decided to erect a New England spinning mill, adapting the European wet spinning process for the first time in this country.

This plant cost about \$2,000,000. Mahimery was purchased both in this counmy and in Belfast, Ireland. The weaving is being done on American cotton-

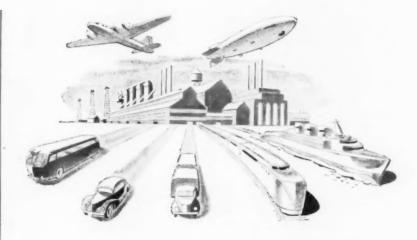
Available Soon—Robert McBratney & Co. and Stunzi Sons of New York are handling dress linens from yarn spun in this new plant, and Barret Textile Corp., also of New York, has rights to the weights used in draperies, upholstery, and slip covers.

Robert McBratney, Jr., president of the McBratney firm, said linen dress fabne in blue, pink, aqua, maize, navy, and brown would be available in a few retail stores in May, at a price of about \$3 ard, to compete with imported goods of similar quality. The dress linen is impregnated with a synthetic resin, or tebelized, for wrinkle resistance.

• More Testing Due—Although further testing and experimentation are held necessary before the new American linen may be considered a success, McBratney said, a "highly satisfactory" type of gray goods now is being produced, after months of experimenting.

He does not believe American flax will be used to produce handkerchief or damask grade linen, because a special long fiber flax and intricate machinery not now available in this country are required, but he does predict that American-made dress and drapery linens will compete in the domestic market with imported fabrics after the war, both in price and in quality.

 Mostly for Seed—Although Texas and Oklahoma growers have augmented American flax production lately (BW—



FLUID POWER ENGINEERING by Parker

FLUID POWER. Confine fluid in a closed system, apply power at one end, and you deliver power instantly at the other end.

That is Fluid Power—based on hydraulics—the 1944 way to get work done. Any kind of work—hard or easy, brutal or delicate.

You can step Fluid Power up or step it down—to lift a tank or wind a watch. You can make it fit the job. You can flow it around corners and into tight places. You can regulate it, by valves, within precise limits.

TRANSMITTING FLUID POWER. Fluid Power is transmitted through tubes; it needs no shafts, gears, pulleys or belts.

When a system of tubes is used to transmit Fluid Power, it calls for wrinkle-free bends, leak-proof fittings, precise operating valves, flow without obstruction. It gets to be an engineering job.

FLUID POWER ENGINEERING. That's been Parker's business for twenty years—designing Fluid Power tubing systems, engineering them, building valves and fittings, and making fabricating tools. Often we do the fabricating too.

we do the fabricating, too.

Today, you'll find Parker-engineered Fluid Power systems in refrigerators and bombers, in chemical plants and locomotives—everywhere in industry.

LOOKING AHEAD. With at least one eye on the future, wouldn't you like to talk this through now with a Parker engineer? No matter what you make, or what kind of machines you operate, you are likely to find some interesting possibilities in the Fluid Power idea. An interesting booklet, giving you more facts about Fluid Power, will be sent on request. Address Parker Appliance Co., 17325 Euclid Ave., Cleveland 12, Ohio.

PARKER APPLIANCE COMPANY CLEVELAND - LOS ANOFILS UID POWER ENGINEERING

Nov.20'43,p50), the American crop is mostly devoted to seed production, fiber varieties being grown only in the Northwest. And until the present venture, American textile interests seemed to agree that it would not be worth while to compete with European mills in medium or fine linens, despite the opportunity that is presented by the war (BW-Mar.4'44,p68).

Saving the Soil

Farmers seem to be too busy for normal conservation measures, but Oklahoma clinic proves they're interested.

War or no war, Ol' Man River rolls along, and more millions of acres of crop land are washed away. In wartime, crosion is apt to take an even greater toll, for farmers, saddled with the job of producing maximum food tonnages with minimum labor, figure that they are too busy for normal conservation measures. That's what happened in the last war, as the scarred, eroded acres of the western plains states testify.

• Won't Happen Again—Under Dr. H. H. Bennett, the U. S. Soil Conservation Service is determined that it won't happen again, and the success of its efforts can be judged by the attendance of nearly 1,000 farmers, bankers, and business men at the first Save-the-Soil Clinic last week in Oklahoma City on the rim of the great depression dust

Conservation work in Oklahoma began 15 years ago with the establishment in Guthrie of an erosion control experiment station to work in cooperation with the national service, but today the federal agency depends on no such casual participation in its campaign. Its program is now built solidly around the work of the local soil conservation districts, 1,000 of which, embracing 2,500,000 farms with 570,000,000 acres, have been organized under the laws of 45 states.

• Local Programs—The soil conservation district, a control instrument first organized in the southern part of North Carolina in August, 1937, is a local agency of government, established only by a majority vote of farmers and ranchers within a specified area at a popular referendum. Once chartered by the state committee, the local unit under its own elected officers draws up its own program for erosion control, dovetailing its work with that of nearby districts and with state and federal conservation programs.

It can if necessary bring the full force

of law to bear upon recalcitrants in order to keep them in line with its program. The farmer who won't permit a stream to be damned up or the sides of a gulley on his land to be planted with trees can be made to come along with the majority.

• Glad to Help—Rarely is such a show of force called for, because most farmers are glad to help stop the drain on the land. Despite the spread of conservation work, erosion and flood damage is still estimated at \$3,844,000,000 a year, measured in terms of reduced crop yields, abandoned acres, and damage to railroads, highways, reservoirs, and irrigation projects.

It is estimated that more than a third of the crop land in Oklahoma has been washed away, and conditions are similar throughout the other cotton and tobacco states of the South, where only 10% of the soil can be considered safe from erosion and 80% needs continuous conservation treatment. That's why the Oklahoma City clinic drew delegates from Texas, Missouri, Kansas, Arkansas, Tennessee, and even as far away as Obio.

• Costs Reduced—Cooperative efforts of state and federal authorities, working together with the local district, have markedly reduced the cost of combating the erosion menace. As a result, terracing—an all-important grading device for controlling erosion in any large project—can be done at costs ranging

from \$5 to \$72 a mile depending the width of the terraces built and \$5 type of equipment used, according to study of operations that has just a cently been completed in two country by the Oklahoma Agricultural Experiment Station.

Plans are already being laid to empha a good many veterans on conservation projects, perhaps on a split-shift base under which the men would work shalf day in industry and a half day at the fields. Oklahoma business organizations are already drafting such a program, for they are well aware of the values of conservation. F. S. Hurdbanker from Broken Arrow, Okla, a ported, for example, that land values a his section of the state have increased from \$1\$ to \$5\$ an acre as a result of erosion control.

Dr. Bennett reported increased croy yields, resulting from such work, are aging from 33% to 47%, based on actual reports from bookkeeping farmers.

• The Task Ahead—Big job for conservationists now is to get the full cooperation of other governmental units. They want highway authorities to control runoff water. They want to get their share of tools and machinery from the armed services at the end of the war. They want flood control engineers to stop siltation of land above reservoirs before more dams are built, and they want a tax system that will encourage proper land use.



TWO-IN-ONE TRACTOR

By fitting steel-cleated treads to a farm tractor, a West Coast inventor combines the advantages of wheeled and crawler-type prime movers. The new tread displayed by Washington State College Extension Service is the product of R. N. Riblet, Spokane, who claims for it exceptional performance on most terrains. Despite its "square" wheels, the tractor rolls smoothly because the treads are hinged to follow wheel and ground contours.

S. War Birds-

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U.S. warplanes now attack renemies -- thanks to a entiful aluminum supply!

Amazing story of a "laboratory curiosity" that became an Industrial Giant!

ONE OF THE GREAT miracles of this war—the rapid expansion of U.S. airpower—was performed with the help of a huge electronic device—the Allis-Chalmers Mercury Arc Rectifier!

First introduced to America in practicable form by Allis-Chalmers, the Mercury Arc Rectifier provided—in the nick of time—a fast, easy way to convert alternating to direct current for mass production of aluminum and magnesium for warplanes.

Without it, U. S. air strength might never have reached its present commanding position!

After war, the Mercury Arc Rectifier—plus the other 1600 Allis-Chalmers products—will help speed production of many things America needs and wants...will work for better peace-time living!

VICTORY NEWS

"The Surface Condenser"—New Training Film: Continuing their dramatic portrayal of steam power, Allis-Chalmers has completed an animated film on the theory of condensation.

This film, called "The Surface Condenser," is a valuable training aid for navy and maritime personnel and student engineers. 16 mm. prints (for sound projectors only) will be loaned to industries for educational purposes.

Shipbuilders Take Note: Despite increasing war orders, Allis-Chalmers still has capacity for manufacturing marine switchboards and limited capacity for all types of short-delivery marine electrical control mechanisms used in Baby Flat Tops and many other fighting and merchant craft.



Official U. S. Nacy Photo

If you need this type of A-C Marine Equipment, contact Allis-Chalmers Mfg. Co., Milwaukee, Wis., today.

TUNE IN THE BOSTON SYMPHONY—

Allis-Chalmers' new coast-to-coast radio program dedicated to the men and women of American Industry!

Hear the World's Finest Music by the World's Finest Concert Orchestra with Serge Koussevitzky conducting. Over the Blue Network, every Saturday, 8:30—9:30 P.M. (E.W.T.)

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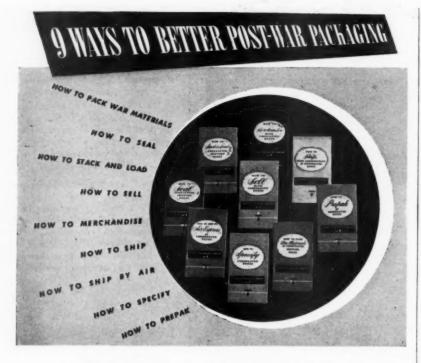
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INDUSTRIAL TRACTORS



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Packaging war goods-that's the all-important task of H & D today, BUT H & D's war-time activities are bringing a wealth of valuable experiences, and an abundance of new packaging skills and techniques that will have a great and good effect on the progress of post-Victory packaging.

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For postwar packaging . . better see # 5 D



HINDE & DAUCH

Kill Two Birds

U. S. agencies get source of livestock fodder and reduce pollution of the Delaware Rive with distillery waste plants.

A fine, flour-like powder, recovers from alcohol stillage residue, may be partial answer to the animal fodd shortage which has caught America farmers in the middle of a continue battle over grain-for-meat or grain-fo alcohol, and its war derivatives.

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A \$4,000,000 Project-With limit quantities of corn, wheat, and mye avail able for the making of alcohol to meet synthetic rubber and munitions pla demands, and for livestock feed, WPB and the Defense Plant Corp. have allotted another slice of the \$19,000,000 available for plant facilities to salvas the high protein waste which former was a disposal problem for distiller

The latest contract (to be completed in September) is a project sponsorer jointly by the Dept. of Agriculture an WPB through an agreement with the Publicker Commercial Alcohol Co. to build a \$4,000,000 plant in Philadel-

The plant, now under construction. will be in addition to the \$2,000,000 plant already built to process grain residues from the Continental Distilling Corp., Publicker affiliate.

· Financed by U. S .- Both plants are being financed with government funds and will be leased to the Publicker interests with the Dept. of Agriculture allocating the products. The new plant will turn out the dry byproducts of distillation, called "middlings" by farmers, through processes developed by industrial and government chemists.

• Fed to 2,500 Steers-For more than a year, another Publicker affiliate-the Kinsey Distilling Co.-has been feeding the residue from its stills at Linfield, Pa., to 2,500 steers on its adjoining stock farm. Because the farms are close to the stills, thus eliminating transportation difficulties, it was not necessary fully to dehydrate the waste, nor was the improved dehydration method used.

• Solves Another Problem-In addition to providing fodder, the plants will relieve the Publicker people of a headache which Philadelphia officials have given them. Formerly, the waste from the firm's distilling plants (located along the Delaware River) was discharged into the river, polluting the stream, clogging basins and docks with a thick varnishlike substance, and fouling the con-densers of steamships and industrial plants. City officials also charged that

residue contaminated the air and langered health. get source nd reduc

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njunctions were sought to stop the tharge of the wastes into the river, but re the cases reached trial, an agreeat was reached by which Publicker Continental were to rush to complen their own dehydrating plants. These e held up by lack of priorities. Bese the new plants are needed as war asures, construction got under way at

Other Plants Set Up-Other plants set with government assistance in the clamation plan are at the Schenley stilleries, Frankfort, Ky.; Farm Crops ocessing Corp., Omaha; Hiram alker & Sons, Inc., Peoria, Ill.; and Corp., Omaha; Hiram eph E. Seagram & Sons, Inc., Lawnceburg, Ind. (BW-Aug.7'43,p99).

Hamburger Cows

Low-grade cattle surplus vorries WFA. Early marketing is rged, but ranchers say prices n old cows are too low.

A cattle population swollen beyond ospective supplies of feed and range pacity this summer and next fall is wing War Food Administration offials economic and political palpitations. Marketing Fears-The worry is that attle marketings will pile up beyond aughtering capacity toward the end of e year, at the same time that hogs om this spring's near-record crop of gs start moving to market in volume. Officials fear that the combined overad of marketings next fall will break rices sharply-hogs down to support evels, and cattle conceivably to the lowst levels since the beginning of the war, certainly far worse than was the ase a few months ago (BW-Oct.30'43,

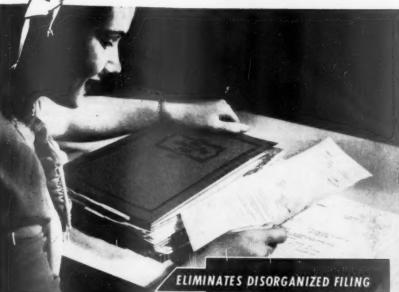
Already there are growing signs of political disaffection in the cattle counry over lowering prices and the govemment's efforts to manage the cattle economy. Cattle prices are below the levels of a year ago, whereas feed and labor are higher.

• One Proposal-For weeks WFA officials have been studying the situation. but their only proposal to date is that cattlemen begin to increase marketings immediately to a sustained level 30% to 35% above the 1943 volume. The idea is that farmers would do better to cut profits now than to take a big loss

Discarded as unpalatable to cattlemen is a proposal to give the ranchers a govemment bonus to increase cattle marketing now-to spread the total over

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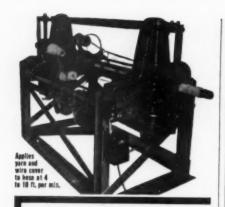
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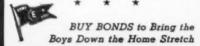
MACHINE TO STEP UP PRODUCTION OF RUBBER HOSE

This Hose Reinforcement Machine is but one of a number of FIDELITY machines that have contributed to the logistic time table on all fronts and will find important post-war applications in the transition period.

Among the others—all of which multiply manpower, reduce horsepower, cut costs or otherwise contribute to better production—are such varied and different machines as wire spoolers, glue or resinous bond spreaders, fabric testers, fringe-making machines, wear-measurement machines for lubricants, bag closers, machines to apply two or more weather-proof coverings to wire, skein reelers, packing braiders, and many others.

FIDELITY has developed a long line of machines—many of them for highly specialized operations, with mechanical, electrical, hydraulic, pneumatic or electronic controls.

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FIDELITY MACHINE COMPANY

Postwar Air Talks Are Begun

Although official exploratory talks about postwar civilian aviation got under way this week in London and Washington, no full-dress conference of all the United Nations is expected before next winter, and it may be a year before any international agreement is reached.

• Stopover in Montreal—First official discussions really started in Montreal a week ago when Adolf A. Berle, Jr., Assistant Secretary of State, and Edward Warner, vice-chairman of the Civil Aeronautics Board, stopped briefly on their way to London to discuss special Dominion problems. In England, they have joined Edward R. Stettinius, Jr., Under Secretary of State, whose agenda while in London (BW—Mar.11'44,p107) calls for full cooperation with the official mission in drawing up concrete proposals for international collaboration.

Just getting under way in Washington is a series of similar discussions with an official Soviet delegation. Brazil and China are expected to participate in bilateral talks with

the United States before the formal United Nations conference convenes under the chairmanship of Joseph C Grew, former Ambassador to Tokyo.

• Poles Apart — While Washington has promised to make no commitments at any of the exploratory meetings until the Senate Commerce Committee has held open hearings on this country's postwar civilian aviation policy, the participating countries are poles apart in their preliminary thinking on the main issues that are involved.

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Canada and Britain want a strong international control body with the right to pick up pay loads in each country through which they operate.

Russia's stand is not yet revealed. The Soviets always have resisted efforts by foreigners to operate into Soviet territory.

The United States so far is reluctant to place extensive authority in the hands of any international control agency, preferring to negotiate on a bilateral basis for all commercial outlets.

the entire year instead of waiting until summer and fall.

• Low-Grade Surplus—But remaining in the blueprint is a plan to put price floors under low-grade cattle, with WFA standing ready to buy the tough beef to reflect the support prices to cattlemen. Government subsidies would be withheld from slaughterers paying less than the support prices.

Government livestock specialists say that despite a record total of 82,000,000 cattle on farms and ranches, the surplus is principally of low-grade cattle.

Cattlemen claim that the demand for this stock is too low, as reflected in the wide spread between prices of the lower and higher grades of slaughter cattle. The demand for cows would be better, they say, if the government would stop sponsoring meat substitutes—the diluted hamburger, frankfurter, and luncheon meats now stretched with vegetable proteins.

 Big Calf Crop—The hamburger cow, according to ranchers, is now stretched so that less beef is needed to produce any given volume of meat products.

Adding to the cattle population is a Dept. of Agriculture estimate that a record total of 34,000,000 calves will be born this season. To offset this increase and reduce the breeding herds, WFA wants farmers to market 35,000,000 to 37,000,000 cattle and calves as contrasted with 27,300,000 in 1943.

SHIP LINE FINED

Moore-McCormack Lines, Inc., authorized agent of Russia for lend-lease shipping, has been handling a bustling trade through West Coast ports as shipments of food, clothing, and armaments to Russia mount in volume (BW-Apr.1'44,p52). Biggest difficulty has been obtaining sufficient dock facilities in Portland.

In an effort to solve this problem, Moore-McCormack tried unsuccessfully to negotiate with the McCormick Steamship Co. (the companies are not related) for use of the latter company's Portland docks. Last week in Portland federal court, Moore-McCormack, which has handled Russian trade since 1927 and has encountered particular difficulty in building up adequate facilities and organization to match the growth of the business in the past seven or eight years. entered a plea of guilty to an information charging violation of the federal shipping act by attempting to obtain rebates in connection with lend-lease ship-

Moore-McCormack admitted its officials made a technical error, but denied that a kickback had been demanded of the steamship company. A. V. Moore, president, and L. F. Klein, former Portland manager of Moore-McCormack, were each fined \$1,000, and the com-

pany was fined \$5,000.

00 Much Wool

Estimated world surplus four billion pounds in 1944 ims prospects for higher prices.
WFA is caught in squeeze.

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A proposal by OPA to remove the rice ceiling from domestic wool has seen rejected by the War Food Adminstration. OPA officials reasoned that no teiling is necessary because WFA buys the entire production.

Trouble Enough—But WFA, which now pays growers the ceiling price, reced the idea fearing that removal of the ceiling would merely invite growers to demand higher prices.

Committed not to sell wool at less than the ceiling, WFA was having trouble enough—the loss of the civilian goods market to lower-priced foreign fleece.

• Price Barrier—WFA expects to buy, through the Commodity Credit Corp., 420,000,000 lb. of domestic wool this year, to be added to the 185,000,000 lb. held over from 1943. At current prices, the only market for this wool is in the manufacture of military goods in which the use of domestic wool is a requirement.

Because it is unlikely that anywhere near 600,000,000 lb. of domestic wool will be used in military goods in 1944, the hold-over at the end of the year will be much larger than it is now—unless WFA disregards its commitment and cuts prices in order to dispose of the surplus in competition with foreign wool in the civilian goods market.

• World Surplus—Despite heavy military requirements the stocks of wool outside the Axis countries have increased sharply during the past five years as production has exceeded consumption. The loss of European and Japanese markets which absorbed more than 1,000,000,000 lb. of wool a year before the present war has not been offset by increased wool consumption elsewhere in the world.

The world supply of wool for 1944-45 is estimated at approximately 7,300,-000,000 lb., as contrasted with 6,700,-000,000 lb. in 1943-44. Probable consumption this year is placed at 3,300,-000,000 lb.—about 400,000,000 lb. smaller than before the war. At this rate of deficit, the carryover in 1945 would total 4,000,000,000 lb.—principally of foreign wool held by the British and United States governments here and abroad.

• Expectation—Government officials see in this supply-demand picture little prospect for higher wool prices. Their chief hope of working down the exces**NERVES AND MUSCLES OF**

Wire ...

Wires as fine as a hair...cables as thick as your arm...how do they reach their vital jobs on battlefront or homefront? Who guards the quality of the hundreds of wires that serve our soldiers and citizens so well today?

Wire making is the sole job of the Roebling mills. We handle it as a specialized job. We give it the benefit of a hundred years of know-how... of the latest in wire-making equipment. Each wire-hair-thin or arm-thick, is held to the right close limits, and finished or insulated or stranded or woven to meet requirements to a T. That's wire specialization, and it gets results. The kind of results you want when you say:

It's a job for the Pacemaker!

JOHN A ROEBLING'S SONS COMPANY TRENTON 2, NEW JERSEY

Branches and Warehouses in Principal Cities







ROEBLING

WIRE ROPE AND STRAND * FITTINGS * AFRIAL WIRE ROPE SYSTEMS * COLD ROLLED STRIP * HIGH AND LOW CARBON AGID AND BASIC OPEN HEARTH STEELS * ROUND AND SHAPED WIRE * ELECTRICAL WIRES AND CABLES * WIRE CLOTH AND NETTING AIRCORD, SWAGED TERMINALS AND ASSEMBLIES * SUSPENSION BRIDGES AND CABLES

sive stocks at the end of the war is the rehabilitation of the wool textile

industry in Europe.

WFA wool buyers and sellers meanwhile are working on price schedules for the 1944 domestic clip. It's expected that prices for the clear grades will be about the same as they were in 1943, but that "off wools"—the tags, bucks, and clippings—will be priced lower in order to bring about a better adjustment of relative grade values.

Agency to Watch

That's what Washington is saying about SWPC as its new chief, Maury Maverick, demands real aid for small business.

Until recently, Smaller War Plants Corp. was a bureaucratic stepchild whose performance had never been really satisfactory either to Congress, which created it, or to WPB, its none-too-willing foster-parent. But around the first of the year, SWPC got a new boss, Maury Maverick (BW-Jan.22'44,p22). With Maverick, SWPC is fighting for a new lease on life.

• A Helpful Asset—It's too early to tell whether Maverick will succeed, but Washington is now talking about SWPC as an agency to watch.

Unlike his predecessors—all from the ranks of business—Maverick is an experienced politician and an experienced bureaucrat. This has proved an advantage to him in the handling of an agency which is almost wholly a creature of Congress.

Maverick's predecessors regarded the

SWPC job as a duration proposition, but he is frankly playing up SWPC's peacetime potentialities.

• Engineering Aid—Thus, he is making the most of the scientific and engineering help SWPC offers to small plants with production snarls. He is helping small business get its share of the 45,-000 enemy patents held by the Alien

Property Custodian.

These activities run parallel to the objectives of the Senate's Kilgore committee which would promote technological research under government auspices, break up patent monopolies by making the fruits of such research generally available. They also fit in with the long-standing demand of many small business spokesmen for a frank acknowledgment that the small business man, like the farmer, needs and deserves special treatment and should have a special government agency whose job it is to dole out this special treatment.

• Listens to Troubles—Maverick is setting up a Complaints Division—a wailing wall to which the little fellows can bring their troubles, such as unfair trade practices and monopolistic squeezes. If SWPC can't help them, Maverick promises, it will see that the proper depart-

ment is informed.

Maverick is interpreting SWPC's original commission—to see that small plants get their fair share of the war program—as a mandate to help all small business in every possible way. So far, Congress appears willing to go along with him.

• Gains Goodwill—After cleaning up SWPC's troubles with the budget bureau, his second job was to lay the groundwork for congressional support by cultivating the goodwill of the House and Senate small business committees.

Maverick wasn't the first choice of the committees—all-powerful where SWM is concerned.

Maverick hasn't undertaken a whole sale reorganization of SWPC but he has attacked the agency's chrome trouble—a general looseness. Dr. Luther Gulid veteran Administration organizer, he been lent to Maverick to supervise the tightening-up process.

SWPC's position during the transtion period has been assured by Maveicks' appointment as a member of the Surplus Property Policy Board and the Joint Contract Termination Board. He has also been promised a place on WPB's projected interagency reconversion committee (BW-Mar.18'+4,p15).

• Would Make Loans—Mayerick expects to get additional authority and funds to make loans to cushion the impact of wholesale contract cancellations on small plants; to enable small business to buy up government surpluses. Funds for these purposes would further assure SWPC's future, since Congress can seldom bring itself to kill a lending

agency.

Aware that the small plant's best hope of staying on its feet lies in greater production of civilian goods, Maverick still isn't ignoring the war business. He has been knocking at the procurement agencies' doors, and the results of his efforts are beginning to show up in the statistics (table). Particularly, he has been successful with the Maritime Commission. Also, SWPC is now getting advance notice from the Air Forces and Army Ordnance of contemplated cutbacks, is thus able to soften their impact on small plants.

 Plan Retarded—SWPC's ambitious plan for allowing small plants in loose labor areas to go ahead with production

Little Fellows Get More U. S. Business

Maury Maverick cannot claim all the credit for the fact that Smaller War Plants Corp. is now having considerably greater success in persuading the Army, Navy, Maritime Commission, and other branches of the government to throw some business the little fellow's way. Members of SWPC's staff feel that the agency didn't really begin to function until last spring, didn't hit its stride until last fall (BW-Oct.16'43,p15).

But statistics for the one full month since Maverick took office show a marked upswing in the volume, and value, of government contracts that SWPC has been instrumental in placing with small plants. Here is a comparison of February, 1944, figures with the months immediately preceding (Maverick took office Jan. 10).

Prime Contracts Let With SWPC Assistance

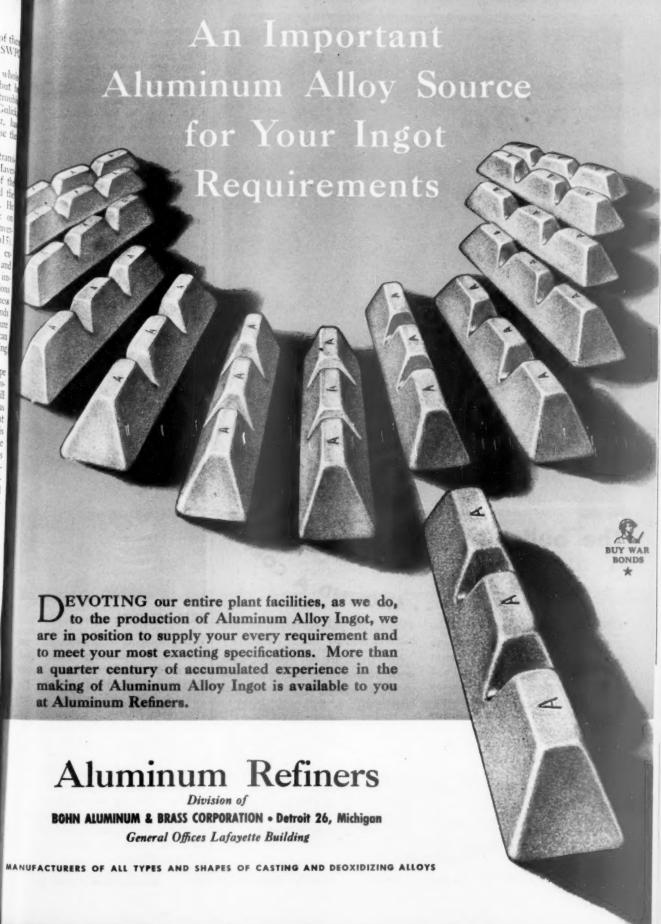
	Number of Contracts	Dollar Value
October, 1943	1,414	\$106,000,000
November	1,129	\$65,000,000
December	1,537	\$97,500,000
January, 1944	1,500	\$124,000,000
February	2,400	\$237,000,000

Subcontracts Awarded With SWPC Assistance

sistance		
October, 1943	1,040	\$21,000,000
November	760	\$13,000,000
December	895	\$19,500,000
January, 1944	1,300	\$23,500,000
February	1,600	\$39,500,000

SWPC is charged with the task of selling small business to other government agencies. It considers the job of selling itself and its facilities to small business (and getting credit for the work done) a part of that task. Hence, it measures its success in part by the number of new plants, not previously helped by SWPC, which have recently received government contracts through the agency's assist-

Contracts	s	Subcontracts
527		383
338		324
402		253
480		340
830		500
	527 338 402 480	338 402 480



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AROUND A CORNER The "bullet" that can be shot

A Torpedo is like a bullet with a brain.

Start it parallel to its target's course -and it can turn and hurl itself straight to its victim! The directing "brain" and driving mechanism of this speedy ton of destruction are a mass of complicated machinery. For a torpedo has over 5,000 parts - and none more important than the ball bearings on which all the rest depend.

No matter where you look in this mechanical war-you'll find the ball bearing playing an absolutely vital role! Indeed...one reason for the superiority of our war equipment is the greater enbearings.

New Departure ball bearings, made in maximum quantity and top precision quality, are the logical choice for your future use.



NEW DEPARTURE **BALL BEARINGS**

of minor civilian goods (essential or not regardless of present WPB restriction (BW-Jan.29'44,p16) got caught in the general pre-invasion moratorium on to conversion. But SWPC has been able to do a good deal in persuading WPB to lift minor restrictions.

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• To Carry the Ball-Maveriel's men have told WPB's ailing Office of Civilian Requirements that when it can't get civilian goods production out of WPB; industry divisions, SWPC will be glad to earry the ball. From this, some OCR officials deduce that Maverick plans eventual absorption of OCR's functions,

First real test of Maverick's effectiveness may be provided by the current plight of small plants on the West Coast, Following a policy laid down last September by War Mobilization Director James F. Byrnes, procurement officials now avoid placing new contracts in critical labor areas. In addition, WPB refuses to allot materials for new civilian goods production in these areas.

Their Argument-Small West Coast firms complain that their business is dry-



PREP SCHOOL

While some illiterate inductees are educated to minimum Army standards at 18 reception centers and a few scattered replacement depots, the Chicago Board of Education, cooperating with Illinois Selective Service, lends a preinduction helping hand. In Chicago last week 45 adults who had attended local classes were given diplomas from Col. Louis A. Boening. assistant state director of Selective Service. The diplomas attested that the graduates had received the equivalent of a fourth-grade education. To date the Army has inducted about 200,000 illiterates.

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The argument of small business is hat most of the labor it employs—nomen, older people, young boys and urls—will not go where the military ants it to go, and that the result will e a net reduction in the nation's labor orce. This, plus the contention that lacing subcontracts in other parts of he country to supply the Coast's big plants will add to the load on the transcontinental railroads, formed the meat of extensive hearings held in Washingon six weeks ago by West Coast conessmen.

Gets a Hand-So far, the hearings have had one tangible result-SWPC epresentatives have been placed on the West Coast's area production urgency committees. Idea behind this is that SWPC can have a hand in screening procurements, might be able to say where a contract can be placed with a small firm without adding to the manpower squeeze.

Further heat undoubtedly will be applied to the military as a result of hearings held by the House Small Business Committee, which is touring the West

FIG MARKET ENLARGED

Last season, California fig growers and processors were happy about the size of the crop, and also about the volume of business done by the California Fig Institute, which represents the industry. The crop ran to 36,350 tons of dried product, beating 1941's record of 33,-

Growers could have sold their figs direct to distillers, because alcohol can be obtained from fermented figs, and there was a great demand for industrial alcohol. But, with long-range interests of the industry in mind, the institute asked the War Food Administration to prohibit the use of figs for byproduct purposes, except on WFA order. Thus California's fig crop went entirely for food

Figs were the only dried fruit excepted from WFA's set-aside order. Processors and distributors cooperated to see that the armed forces got all the dried figs

Imports of figs have been cut off by the war, and U. S. consumers who formerly thought of them only as a holiday delicacy began to use figs to meet scarcities of other foods.

It is this enlarged market that U. S. fig growers hope to keep after the war by emphasizing the food value of domestic figs, and the fact that they are processed and packed under rigid federal

food laws.



The large relay illustrated above is the Type 108, now in quantity production. Produced with the finest relay materials. High permeability, magnetic materials, annealed in controlled atmosphere. Various modifications adapt it to a wide range of applications. Adjustment to specific conditions provides extreme high speed sequence or marginal operation. Coils bakelite impregnated and heat cycled to meet severe humidity conditions. Available in a wide range of voltages from 6 to 220 Volts D.C. and 10 to 220 Volts A.C., 20 to 25 Cycle and 50 to 60 Cycle. Mounting holes provided in heel piece for direct mounting to panel. Can be equipped with octal speaker plug or other types to meet special requirements. Dust-proof housings and weather-proof covers are also available.

The small relay illustrated above is the new Type 400. Its features include: Stainless steel bearing pins for long life and permanent adjustment. New coil terminal design to prevent coil losses due to breakage of lead wires. Wide spacing of staggered spring terminals and elongated holes to facilitate existing third permeability magnetic materials. terminals and elongated holes to facilitate wiring. High permeability, magnetic materials, annealed in controlled atmosphere. Coils wrapped in serving and bakelite impregnated against moisture, to Air Corps specifications. Single or twin contacts and single or double spring pile-ups to six springs high. Saving in space and weight. Sturdy, durable construction. Nickle silver, beryllium copper or Inconel spring materials optional. Withstands high G and vibration tests due to light weight and balanced armature. armature.



ENGINEERING **IMPORTANT**



To do our job efficiently, many abilities are required. One of the most important is engineering, for we work closely with contractors, engineers, architects in supplying their needs in prefabricated lumber for construction work.

Engineering departments are maintained in our Portland, Seattle, and New York offices for design and detailing of all structures produced by us. It is our custom to scrutinize stresses and joint details regardless of whether the struc-tures are designed by ourselves or by others, as an additional check prior to actual fabrication.

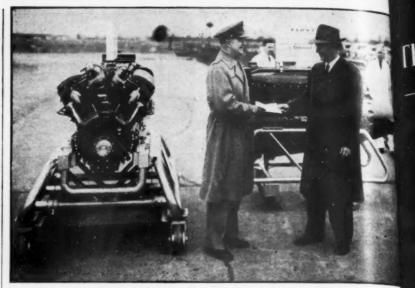
Whatever your current or postwar plans may be, we would be happy to work with you in timber or other structural materials. Our experience over the past ten years covers various types of construction in major industries and for the government.

For a pictorial record of our work, write our nearest office.



ENGINEERING IN WOOD

Portland 8, Oregon New York 17, N.Y.



A FAIR EXCHANGE

In ceremonies at Indianapolis, Maj. Gen. John F. Curry accepts Allison aircraft engine No. 50,000 from E. B. Newill, general manager of General Motors' Allison Division. He returns in exchange the firm's No. 1 engine

(right), built in 1936 and since retired. At 1,800 hp., the newer model is one of the world's most powerful

Cotton Row Boils

Bill to ban subsidies on cotton used for insulation will bring into the open the fight that has been simmering.

House bill 4531, "to prohibit certain subsidy, indemnity, and other payments with respect to short staple cotton and commodities manufactured from such cotton," was introduced by Rep. Charles L. Gerlach on Mar. 30, and was referred to the Committee on Banking & Currency the same day.

 Surprise to Both Sides—Read in haste, the bill would appear to be just another shot in the current congressional warfare on subsidies; read in the knowledge that Gerlach hails from Allentown, Pa., the home of one of the important manufacturing units in the far-flung building insulation field, the language of the bill can be interpreted only as a broadside against the "incentive payment" of 9¢ a pound which the Dept. of Agriculture has been making to nine firms in the cotton insulation field (none of which is in Allentown) to encourage the use of short staple fiber (BW-Jan.1'44,p60).

Interestingly enough, the introduction of the bill at this time came as a liquid-cooled engines, and is used on such Army fighters as the P-38, P-40 P-51-A, and A-36. Allison claims its twelve-cylinder job is now the leader in weight-horsepower ratio at 1.02 lb surprise both to the subsidized manufacturers and to the unsubsidized which include 61 companies making or process-

ing mineral wool and several others using cellulose fibers, wood fibers, bark fibers, or seaweed as basic raw materials. • They Were Assured-In 1938, when the Agriculture Dept. began to toy with the idea of building insulation as a possible outlet for the persistent surplus of short staple cotton, the established insulation manufacturers took at their face value certain assurances that the new activity was a "relief measure," and that any subsidies would be withdrawn as soon as the development of flameproofed cotton insulation reached the point of commercial acceptance.

In 1940, the year that private manufacture of the government-developed insulation began, subsidy payments came to only \$3,300; in 1941, to \$64, 400; in 1942, \$192,800.

• Protested to Wickard-The nonsubsidized manufacturers were not too pleased when the department jumped the subsidy from 6¢ to 9¢ a pound late in 1941. But they kept silent when it was explained that more exacting manufacturing specifications were being required of all participants.

However, in the fall of 1943, when they foresaw that the subsidy was going to swell to a total of \$666,700, they protested to Agriculture in a letter adThe case of the Tired Doctor...



OCTOR JONES is tired tonight. He's been up since six in the morning. Now maybe he's going to get a little sleep. But no, the phone rings. It's Mrs. Davis. Johnny is sick and "feels hot." Can the doctor come right over ...

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One thing you can do for your doctor today is spare him needless calls. Sometimes you can do that simply by having a good fever thermometer. For once he knows the patient's temperature the doctor can frequently tell you what to do.

Corning doesn't make or sell finished fever thermometers. But at our main plant modern automatic machines draw red hot glass into incredibly accurate thermometer

tubing with an inside bore 1/3 the diameter of a human hair. Another example of how Corning research and "know-how" work hand in hand.

Today at Corning thermometer tubing is just one item in a program that calls for some 300 varieties of glass. These range from optical glass for gunsight prisms to the Pyrex brand glass used in Pyrex oven ware. From crystal so clear that it has found its way into museums to a new type of glass so impervious to thermal shock that it won't break when heated red hot and plunged into ice water.

Corning's business right now is almost full time war business. But keep

glass in mind when we all get back to peace time production. Meanwhile if you have a war production problem that glass might help solve, write Corning Glass Works, Dept. 44-B, Corning, N. Y.

CORNING

means

Research in Glass



EAMWORK IN TANKS DEPENDS

Pectronics

Linked together as effectively as a basket-ball team in "high-gear," the members of tank crews rely on Electronic Interphone Systems for split-second timing! How long before you apply electronics to your product or process? When that time comes, the skill Operadio has developed on tank interphone systems and many other vital war assignments can serve you as it now serves America. And remember, Operadio engineering and manufacturing excellence date back more than 20 years to the

> OPERADIO PLANT BROADCASTING FOR MUSIC AND VOICE-PAGING . . . FLEXIFONE INTERCOMMUNICATION

time when we designed and built the first commercial portable radio.

oPERADIO

Electronic Specialists

OPERADIO MANUFACTURING COMPANY, ST. CHARLES, ILL. SYMBOL OF ELECTRONIC P EXCELLENCE SINCE 1922

dressed to Secretary Claude R Wicka by the National Mineral Wood Asig which represents a score or more of the leading unsubsidized manufacturers, su gesting that the "point of commerce acceptance" must have been reached. · Boosted Again-The letter sught demonstrate that the subsidized man facturers were using their subsidies underbid competitive insulations and thereby to "force cotton insulation a artificially depressed prices into the field of home insulation" to the disruption of "established, economically sound industries." Agriculture's answer was to hike its proposed schedule of incentive parments for 1944 to \$5,400,000, an in

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crease of almost 800%. Agriculture takes the position that it is "providing support during the pioneering stages" of a new industry. The nonsubsidized manufacturers take the position that "because of inherent cost differentials, cotton can never hope to compete with materials made from waste products which are commonly used for the insulation of the walls and ceilings of structures.'

• Only 1% of the Crop—The manufacturers also will point out, when the time for congressional hearings rolls around, that an expenditure of \$5,400,000 will assist the withdrawal of only 141,000 bales of cotton from the surplus market (60,000,000 lb. at 9¢ each), and that amount is only a little more than 1% of the annual cotton crop.

MORE FARM LOAN AREAS

Additional areas have been designated by the Secretary of Agriculture as regions where loans can be made to farmers from funds of the Regional Agricultural Credit Corp. (BW-Mar.11'44, p36) for certain crops.

The new areas are:

Wyoming-Big Horn, Converse, Fremont, Goshen, Laramie, Park, Platte, Sheridan, and Teton counties; for turkeys, dry beans, potatoes, canning vegetables, seed peas, and beans

Maine-Aroostook, Penobscot, Piscataquis, Waldo, Somerset, and Washington counties;

for Irish potatoes.

Texas—Entire state for potatoes, peanuts. rice; and for entire production of farms whose operators plant not less than 50% of acreage in these three crops.

Tennessee-Carter, Coffee, Cumberland, Grainger, Johnson, Putnam, and Unicol counties; for beans and Irish potatoes.

Pennsylvania-Adams, Beaver, Bedford, Berks, Centre, Chester, Columbia, Crawford, Dauphin, Erie, Potter, Lancaster, Fayette, Lehigh, Luzerne, Lycoming, Monroe, Potter, and Washington counties; for potatoes, soybeans (for beans and feed crops).

Iowa-Entire state; for turkeys. New York-Jefferson, Schoharie, Schuyler, Seneca, and Suffolk counties; for general crops; Schoharie County, turkeys.

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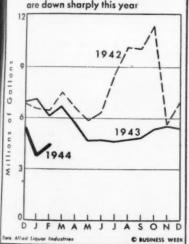
Does the owner of property adjacent an airport own the air above his land d buildings? What basis for payment ould be used in granting of rights for traft to pass over such property?

How High, How Much?—These quesons, growing more and more troubleone with the expansion of airways, are brought forth a new real estate em-avigation easement. Real estate cent thus have a name for their new roblem, but it remains for the courts of decide just how high an avigation asement extends and how high the paytents can go.

A current example: A farmer who as that his family and stock have been frightened by United Airlines landing at the Allentown-Bethehm (Pa.) Airport has obtained an injunction restraining the planes from

WHISKY DROUGHT

Withdrawals from stocks are down sharply this year



Although Sen. Pat McCarran, chairman of the Senate subcommittee investigating the liquor industry, this week gave the trade more hope for a whisky furlough than it has had in many months, distillers still carefully husband their stocks. In figuring 1944 quotas, they use 1941 as a base year, not 1942 as they did in 1943 when quotas (about 75%) frequently exceeded 1941 withdrawals.

Business Week . April 8, 1944

Amplicall



. . . key to greater plant efficiency

Many plants are finding their present communications systems inadequate to cope with the accelerated pace of today's industrial operations. Loss of even a little efficiency, when efficiency means so much, is a needless sacrifice—with AMPLICALL Paging and Two-Way Communications Systems available. AMPLICALL is providing the instant contacts that are helping smooth the flow of business and production for thousands of large and small plants all over the nation. There is an AMPLICALL System of a design and capacity to serve you perfectly, too. Find out about it today.

HERE ARE SOME OF AMPLICALL'S MULTIPLE USES:
Saves Precious Time Saves Countless Steps
Provides Split-Second Safety Protection
Relieves Switchboard Congestions Locates Instantly
Increases Production Thru Musical Programs









Regardless of your plant size you'll find an AMPLICALL System to meet all of your present needs...yet flexible enough to serve in the event of plant expansion.

Electroneering is our business

Rauland

RADIO...SOUND...COMMUNICATIONS
Rauland employees are still investing 10% of their salaries in War Bonds

The Rauland Corporation . . Chicago, Illinois



"MARCHANT FOR ME because it's Always Ready!

When I start any calculating, I never have to 'prepare' any repeat key before I get under way. My Marchant is always ready for any kind of 'next problem', regardless of what it had been doing just previously!"



"MARCHANT for my boss because

it brings 20 Points of Superiority including COMPLETE CAPACITY

CARRY-OVER



No dials become inactive, even when carriage is extended to the extreme limit of travel. No bell... no resetting...all bothersome manipulations eliminated by dial carryover to full capacity... no errors!"



Marchant Calculating Machine Company Home Office: Oakland 8, California, U. S. A. SALES AGENCIES AND MANUFACTURER'S SERVICE STATIONS GIVE SERVICE EVERYWHERE flying below 100 ft. in passing over his farm, which adjoins the port. This virtually prohibits landings of six daily flights on the east-west runways.

• Bad for Philadelphia—The farmer's action has created further delays in air traffic from Philadelphia, a large portion of which has been handled through the Allentown field since Philadelphia's municipal port was closed last December because of military hazards (BW—Jan.29'+4,p+5). United has been handling the 50-mile shuttle by automobile and truck, but now it has to shunt its Philadelphia traffic to New York's La-Guardia Field.

Two courses of action are epen to Allentown in solving its airport problem. The city may purchase the farmland through condemnation, or it may reach an agreement to pay the owner for an avigation easement. But if it takes the latter course, it has comparatively few precedents to follow.

• Not Much Information—The National Assn. of Real Estate Boards published an article by Maj. Robert H. Fabian, U. S. Army Engineer Corps, in "The Appraisers Journal" in January, but there are few case histories available. However, Maj. Fabian's finding may help set a pattern.

• Army Sets Standards—Avigation easement is defined by the engineer as "right of unobstructed flight by aircraft at a specified altitude," and the commonest application is in approach zones at ends of Army and commercial air fields. The Army Air Forces has established a standard runway approach zone which

has also been adopted by many aim. This suggests a huge trap coid on

This suggests a huge trap roid on ground surface, one-fourth of a wide at end of runway, two miles h and 4,000 ft. wide at out rendplane usually has reached at least 264 altitude at this spot. The property on usually grants right-of-way for aim along and above this path.

• Theories Vary—The value of an antion easement is usually less—never methan fee simple title of the surproperty affected, and is considered to the difference between market value of unencumbered fee suple title, considered for the highest abest use, and its value after avigable.

easement is imposed.

Several theories have been advance in solution of legal conflicts. One is the "ad coelum" maxim which asserts property owner owns airspace "even to heaven." This theory now is united sally rejected since it makes every plan flight a trespass over lands below. An other theory is the nuisance docting under which no flight constitutes acting able wrong to the surface owner unlession causes him harm, danger, or inconvenience; this theory, it is generally agreed fails to provide adequate protection to property owners.

hard to Determine—A third theory is that the surface owner owns airspace above property, subject to public right of flight at reasonable height; hence the owner can enjoin only unreasonable flights, but to determine which are unreasonable is a difficult matter. A fourth theory invokes police power to prevent

AIR-BORNE APPEAL

Scattering "help wanted" circulars from the skies-an idea borrowed from propaganda "bombing" in Europe—has paid off for Triumph Explosives, Inc. Situated at Elkton, Md., a town with a prewar population of 3,500, the company was faced with the task of rounding up 10,000 workers to produce antiaircraft ammunition and incendiary bombs. A small army of labor missionaries was shipped to neighboring states. One in West Virginia, finding it impossible to tap rich labor sources in isolated sections by conventional means, hired a commercial pilot to fling 50,000 handbills (right) over three counties. The stunt clicked. For days a steady stream of applicants-most clutching the circulars—appeared at local United States Employment Service offices.



McQUAY-NORRIS many airp rtl of a

Who plan the things to come

Electalloy (Electric Furnace Iron) was first developed to meet the need for better piston ring metal in modern high-speed, high-compression automobile motors. Successfully tested and proved under these exacting conditions, Electalloy is now used in many other precision parts where extra strength, extra springiness, extra wear-resistance are musts,



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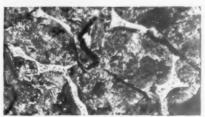
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McQuay-Norris Ord.

This superior metal ... stronger, more dependable, longer lasting ... may well be the answer to your problem. Our metallurgical staff will be glad to consult with you.... Remember, Electalloy is exclusively a Management Division McQuay-Norris development.

Below, photomicrograph of Electalloy at 700 magnification reveals matrix of extreme fine grain sorbitic constituent (high strength), areas of phosphorous eutectic steadite (resistance to wear and elevated temperatures), well-dispersed graphite flakes (lubrication and lubrication voids) and complete absence of "free ferrite" (prevents scuffing and scoring under certain frictional conditions).



McQUAY-NORRIS

MANUFACTURING COMPANY

ST. LOUIS, MO. SHO TORONTO, ONT.

PRECISION WORKERS IN IRON, STEEL, ALUMINUM, BRONZE, MAGNESIUM





Any air express shipment that's packaged, labeled and ready to go ...should co! Don't let it sir! Call air express right away...instead of waiting for "routine" afternoon pick-ups. Your shipment thus avoids end-of-the-day congestion when Airline traffic is at its peak. That's the secret of getting fastest delivery! Ship when ready!

And to cut costs—AIR EXPRESS shipments should be packed compactly but securely, to obtain the best ratio of size to weight.



As a result of increased efficiency developed to meet wartime demands, rates have recently been reduced. Shippers nationwide are now saving an average of more than 10% on Air Express charges. And Air Express schedules are based on "hours", not days and weeks—with 3-mile-a-minute service direct to hundreds of U.S. cities and scores of foreign countries.

WRITE TODAY for "Vision Unlimited"—an informative booklet that will stimulate the thinking of every executive. Dept. PR-4, Railway Express Agency, 230 Park Avenue, New York 17, N. Y.



Phone RAILWAY EXPRESS AGENCY, AIR EXPRESS DIVISION
Representing the AIRLINES of the United States

erection of flight hazards; some chave passed airport area zoning or nances with drastic restrictions.

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The most workable theory so far one which has enabled the War Dep to negotiate agreements for direct particles of avigation easement in more cases. It holds that the surface owner owns superincumbent airspace only be the extent that he may reasonably be expected to exercise effective possession over it.

How It Works—This theory is consistent with an appraiser's "before and after rule" used for determining value if easements.

For instance, if a real estate dealer in prevented from developing a subdivision adjoining an airport because of an avgation easement restricting the height of potential buildings, he would be paid the difference between market value of the land for subdivision purposes and its value for agricultural purposes.

• Not Worried—The War Dept. doesn't expect a lot of lawsuits from application of this theory. But it is impossible to predict the volume of litigation commercial air carriers may encounter in postwar expansion.



FLOATING HOLSTER

How to keep firearms clean and dry under all conditions is demonstrated by floating a 45-cal. pistol inside one of the new plastic gun covers used by the Army. The covers are designed merely to inclose the weapons; but when inflated and tied, they remain buoyant indefinitely. This display of Celanese Celluloid Corp.'s Lumarith fabric was among 92 war packaging exhibits at the American Management Assn. packing conference which attracted some 9,000 manufacturers at Chicago last week.

AR BUSINESS HECKLIST

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A digest of new federal gulations affecting priorities, rice control, and transportation.

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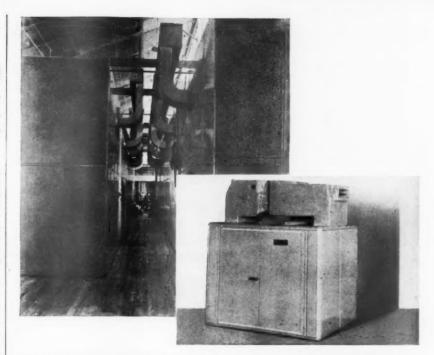
Restrictions on sizes and types of cast iron allets, griddles, household kettles, Dutch ens, sadirons, and other kitchen articles re removed by WPB Order L-30-c, as mended. . . . Steel articles, formerly probited, that may be manufactured up to 5% of 1941 production as a result of an mendment to WPB Order M-126 are awnng frames, window and roller-type shades of street cars and buses, stencils, cigarette ters, and commercial size mop wringers. . WPB Order L-227-b, as amended, perits the use of iron, steel, stainless steel, nd zinc in lead pencils and pen holders. . Civilians are promised more synthetic vitamins in 1944 by the War Food Administration, which has announced total allocations-including military-for the year 50% to 100% greater than in 1943.

Relaxation of Priorities

Restrictions on the sizes and models of Inbrication equipment have been lifted by WPB Order L-314, as amended, which establishes a new schedule of prohibited items and extends controls over production of maintenance and repair parts. . . . Under Order L-142, as amended, WPB has relaxed restrictions on the weight of metal permitted in metal fire-protection doors. . . . Manufacturers of metal visible reference panels for general office and industrial use may consume up to 40% of the iron and steel needed for the same purpose in the year ended June 30, 1941 (WPB Order L-13-a, as amended). . . . Restrictions on alloy steel used in the manufacture of shanks for rotary files are eliminated by an amendment to Schedule IV, WPB Order L-216, though sizes and shapes of files permitted are still subject to the order. . . . Stainless scrap is now freed for use in the melting of stainless steel, through revocation of Direction 3, WPB Order M-21-a. . . . More serviceable furnaces are expected as a result of WPB's amendment to Order L-22, which allows unrestricted use of inner liners for furnace casings; carbon steel as well as cast iron is available for feed door smoke curtains, and other specified furnace parts. . . . Methyl abietate and hydrogenated methyl abietate, employed in plastics production, are freed from controls by a WPB amendment to Order

"Victory" Merchandise

Methods by which retailers may get permission to revalue "Victory" products that become less desirable as wartime restrictions re lifted have been defined by WPB's Wholesale & Retail Division. Users of both



FOR HOUSING COOLING CHAMBERS OR HOT BOXES —



Childerator unit of enam-eled Lindsay Structure.



Lindsay Structure insulated hot box.

This all-steel structure spells speed • efficiency • economy • of production and operation

Lindsay Structure, modern method of allsteel construction, utilizes all the strength of light sheet steel through uniform tensioning. Parts for Ls are pre-formed to exact specifications; assembly is quick and easy. Readily insulated, Ls units can be used in maintaining either high or low temperatures.

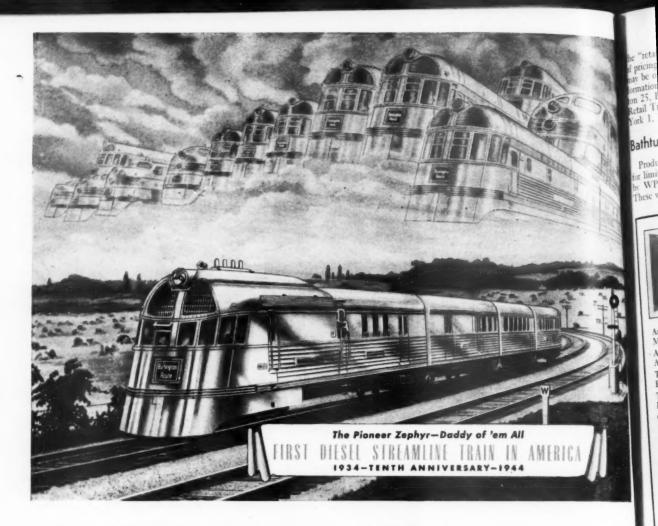
Lindsay Structure achieves a modern, machine-finished appearance without the need for welding, riveting, or special tooling up for its construction. Interchangeable parts, always available, keep maintenance and repair costs at a minimum-only damaged sections need be replaced.

Check the possibilities of Lindsay Structure today-Ls engineers offer immediate service on your pilot jobs. Write to Lindsay and Lindsay, 222 W. Adams St., Chicago 6, III.; or to 60 E. 42nd St., New York 17, N. Y.

LINDSAY STRUCTURE

IT S-T-R-E-T-C-H-E-S STEEL

S. and Foreign Patents and Patents Pending For details, see Sweet's Catalog File



MORE THAN A TRAIN . . . A SYMBOL

Burlington's Pioneer
 Zephyr, first diesel-powered, streamline

train in America...symbol of a dramatic era in railroad transportation...and of the even more dramatic progress to come.

Christened on April 18, 1934 . . . exhibited

in 222 cities in 27 states . . . tested through 30,000 experimental miles, the Pioneer Zephyr entered regular service with national acclamation, on November 11, 1934 . . . thus establishing the first streamline service in America.

Today, the Burlington has fourteen gleaming stainless steel Zephyrs operating on its system lines. More than 100 trains, fashioned to the streamline pattern, have gone into service for railroads throughout the country.

With ten years of outstanding service to its credit—a period during which it has covered in excess of 1,676,000 miles—

the Pioneer Zephyr is still on active duty, serving wartime America to the tune of 456 miles each day.

In the coming peacetime years, we look forward to a program of further improvement and refinement of the "streamline train" era, inaugurated by the Pioneer Zephyr a short ten years ago.



AN ESSENTIAL LINK IN TRANSCONTINENTAL TRANSPORTATION

he "retail" method and the "cost system" of pricing inventories are covered. The text may be obtained from WPB Division of Information, Social Security Bldg., Washington 25, D. C., or from WPB Wholesale & Retail Trade Division, 350 Fifth Ave., New York 1, N. Y.

Bathtubs

Production of 50,000 cast iron bathtubs for limited distribution has been authorized by WPB for the second quarter of 1944. These will be available to the Army or Navy,



Artos Eng. Co. Milwaukee, Wis. Atlanta Woolen Mills, Inc. Atlanta, Ga. The Bead Chain Mfg. Co. Bridgeport, Conn. The Buda Co. Harvey, Ill. Cheney Bigelow Wire Works Springfield, Mass. Crown Products Corp. Philadelphia, Pa. M. M. Davis & Sons, Inc. Solomons, Md. Fafnir Bearing Co. Holland, Mich. Firestone Tire & Rubber Co. Fremont, Neb. M. P. Heinze Machine Co. Chicago, Ill. Hemphill Co. Pawtucket, R. I. Industrial Brownhoist Corp. Bay City, Mich. Price Bros. Co. Frederick, Md. The Procter & Gamble Defense Corp. Aberdeen, Miss. Radio Corp. of America Lancaster, Pa. St. Regis Paper Co. Trenton, N. J. Speed-O-Print Corp. Chicago, Ill. Spicer Mfg. Co., Hillsdale Steel Products Hillsdale, Mich. Superior Tube Co. Norristown, Pa.

MARITIME COMMISSION M AWARDS

Worthington Pump & Machinery Corp.,

Worthington-Gamon Meter Co.

Joslyn & Ryan, San Francisco, Calif.

Newark, N. J.

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(Kames of winners of the Army-Navy and Maritime Commission awards for excellence in production announced prior to this new list will be found in previous istures of Business Week.) for export licensed by the Foreign Economic Administration, or to authorized construction projects with preference ratings regularly assigned to warehousing. The six manufacturers designated to produce the tubs are: American Radiator & Standard Sanitary Corp., Louisville, Ky.; Crane Co., Chattanooga, Tenn.; Eljer Co., Salem, Ohio; Elwood Co., Elwood City, Pa.; Kohler Co., Kohler, Wis.; Richmond Radiator Co., Uniontown, Pa.

Synthetic Rubber Thread

Synthetic rubber thread will continue to be manufactured free of restrictions until Oct. I of this year, though WPB warns that very little thread will be available to civilians for several months. This extension from the former Apr. I limit will allow more time to develop commercially satisfactory synthetic rubber thread made from Buna S. (Order M-124, as amended.)

Tires

After Apr. 1, standard sizes of civilian highway truck tires (including 8.25-20, 10-ply and 11-22, 12-ply tires) will contain much less crude rubber (about 35% less) and much more synthetic rubber, under a new directive issued by the Office of Rubber Director. This action is possible because of the increased supply of high-tenacity rayon tire cord, which counteracts the destructive heat buildup of heavy tires containing large amounts of synthetic rubber.

Pulpwood

New ceiling prices, representing increases up to \$2.75 per cord, have been established for pulpwood produced in the northeastern United States (Maine, Vermont, New Hampshire, New York, and those parts of Connecticut and Massachusetts west of the Connecticut River). These increases, which provide for higher production costs, will be absorbed by the pulp and paper manufacturers, OPA has explained. (Revised Regulation 361.)

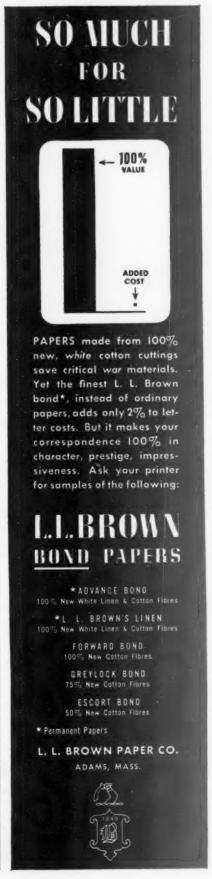
Excise Tax on Luggage

The 20% federal excise tax on luggage—increased on Apr. 1 from 10%—must be shown by retailers on their price tags as an item separate from the ceiling price. OPA emphasizes that this tax is based on the selling, not on the ceiling price of the luggage. (Amendment 3, Regulation 476.)

Beverages

Prices of draught beer and of distilled spirits and wines sold by the drink may be increased to cover the increased excise tax, OPA has announced. Increases in prices of packaged liquors sold by restaurants are also permitted in amounts equal to those established earlier for packaged distilled spirits, wines, and beer. (Supplementary Order 80.)

Retailers selling draught beer in 8-oz. glasses or larger containers (including the 12-oz. bottle) may add 1e to their present ceilings, though increases on the case may be proportionately much smaller. This OPA





You can't "DUST OFF" an Industry, Mr. Tuttle!

An era of competition such as American industry has never before experienced will break like a bomb shell when peace is made, and manufacturers return to producing civilian consumer goods. To be prepared to operate profitably in this new economy calls for careful planning TODAY—careful consideration of all the factors that might result in lowering manufacturing costs.

Industry has long since recognized the need for adequate dust control and has learned thru its wartime experience that in the post-peace era, dust control will be a factor of major importance. And featherduster methods won't do—only engineered dust control systems designed by experienced dust engineers can be expected to do a satisfactory job.

AAF has the facilities TODAY to help you work out your tomorrow's dust control system. There is no obligation involved in asking for help. Let us send you "AAF in Industry"—a booklet which describes the full line of AAF equipment, preliminary to discussing your needs with one of our engineers.

AMERICAN AIR FILTER CO., INC., 387 Central Ave., LOUISVILLE 8, KY.
In Canada: Darling Bros., Ltd., Montreal, P. Q.



ruling takes into account all from tional a costs—in tax or raw material costs—in the mitted since Nov. 1, 1942, that more per bottle. A seller may new maximums by taking either price in the period Oct. 1-15, 1, 41, or highest price fixed by the Mich. 1945 freeze, and adding the increase for each base period. (Amendment 4, Replation 259.)

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Toys and Games

When manufacturers are producing to and games that are not comparable to an articles made by them before, the may determine their prices for these articles by one parison with ceilings for competitive article if such ceilings have been properly established by OPA. (Order 1444 under Section 1499,159b of Regulation 188.)

Fats and Oils

April allocations to consumers of industrial oils (rapesced, mustardseed, must soft and distilled red oil) will be 100% of their requirements under War Food Administration authorization. Allocations of edible oils, under Food Distribution Order 29, total 11,371 tank cars (60,000-lb, capacity) of cottonseed, peanut, soybean, and corn oils for refiners and for shortening and margarine manufacturers during the second quarter of 1944. Wool fat consumers, except cosmets manufacturers, will get 100% of their April requirements; cosmetic makers are limited to 8½% of the total they used in 1941.

Fats and oils used in making protective coatings, linoleum, oilcloth, coated fabrics, and other products are back at the old level of 60% of 1940-1941 consumption. During the first three months of the year, WFA allowed manufacturers of these products 70% of base-period use. Any part of the first quarter quota that is left over may be carried forward to the second quarter. (FDO 42.)

Pork Purchases

To encourage meat distributors to store as much pork as possible during the current heavy-production period, OPA has provided that ration points, to be good until May I, will be lent to retailers and wholesalers for this purpose.

Barrels

'Sales of used tight wooden barrels by emptiers or dumpers have been brought under price control for the first time. For fully reconditioned barrels, the prices average 60% of the maximum prices of new barrels, OPA has announced. (Amendment 2, OPA Regulation 424.)

Coiled wood hoops, used in slack barrels and kegs, have been given dollar-and-cents ceilings at levels representing increases of \$4 to \$6 per 1,000 for hoops of 6-ft. lengths. (Amendment 3, Regulation 481.)

Processed Food

To release cold storage space for meats, dairy, and poultry products, OPA, at the request of War Food Administration, has

Business Week . April 8, 1944

laced point values of all frozen fruits and egetables at zero for the period Apr. 2 hrough Apr. 29.

Rice

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Margins allowed to primary distributors of rice have been cut 10¢ per lb.—from 25¢ to 15¢—by an OPA action that permits markups by such distributors on table grades only. (Amendment 4, Regulation 150.)

Imported Industrial Materials

Importers of industrial materials who were entitled to base their prices on their first purchases after Aug. 20, 1943, may sell at these levels only until May 1. After that date, prices must be reduced by an amount representing the advance in the supplier's price for these first purchases over the supplier's charge on Aug. 20, 1943. This period of grace (beginning Mar. 25) is granted to allow importers to dispose of materials bought at prices higher than those of the base date and is in line with a similar recent provision for importers of manufactured goods. (Order 11, Maximum Import Price Regulation.)

Other Priority Actions

The amount of chromium metal exempt from control has been reduced from 3,000 to 250 lb. by WPB Supplementary Order M·18·a-1.... To provide for greatly increased Army and Navy demands for small sized distribution transformers, the Office of War Utilities of WPB has placed orders for these transformers by electric power producers under strict control, through Direction 1, Utilities Order U-1.

Other Price Actions

A new price schedule for armored (BX) electrical cable has been established by OPA representing an increase of 10% in the prices of most producers and maintaining present levels for the others (Amendment 8, Revised Price Schedule 82). . . . Principal grades of the 85-5-5-5 group of brass and bronze alloy ingot are given price increases amounting to 1¢ per lb.; principal grades of the 80-10-10 group are increased 1½ per lb. by Amendment 4, OPA Regulation 202. . . . Specific dollar-and-cents prices for manufacturers' sales of rim locks and steel, porcelain, mineral, and jet-knob rim lock sets are established by OPA in Amendment 3, Regulation 317. . . . Amendment 19, Revised Price Schedule 35 increases manufacturers' prices for the most popular weight of shirting chambray and covert by 1¢ per yd. and for basic denim by 1¢ per yd. . . . In Amendment 110 to Revised Supplementary Regulation 14, OPA announces that manufacturers who are resuming production of collapsible aluminum tubes must get OPA's approval on the prices proposed; collapsible tubes made wholly of plastic are exempt from regulations affecting other collapsible tubes (WPB Order M-115, as amended). . . . Producers' and dealers'—but not retailers' prices on natural oil of peppermint and dealprices on U.S.P. redistilled oil of peppermint are increased by Amendment 1, OPA Regulation 472.



It will be a great day when this war goes down into history. But even when the war is over, the clocks won't stop. Efficient, time-saving production will be essential in maintaining the sales volume that will provide jobs.

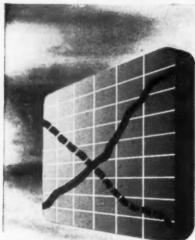
And the same Acme service which is helping so many metal-working manufacturers excel in war production will be at your disposal when peace returns. Are you planning a new product which may require new tools and dies? Acme can design and make them for you. If you use heat-treated aluminum castings, Acme will cast them accurately and well. And in any study of your production setup, Acme engineers can offer experienced advice.

Send for new book. Acme's modern facilities for complete service to metal-working plants are illustrated in new 48-page book, "Acme for Action." Sent upon request to interested executives.

ACME Pallern and Fool Company, Inc.

FOR VICTORY BUY WAR BONDS AND STAMPS

HEAT-TREATED ALUMINUM CASTINGS...PATTERNS...TOOLS
TOOL DESIGNING...PRODUCTION PROCESSING



Profits go up costs come down!

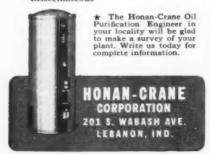
IN any operation where Honan-Crane Oil Purification is applied, you will get two immediate results. The efficiency of the equipment being served will go up and the cost of operating the equipment will go down.

Honan-Crane Oil Purification programs are increasing production and saving thousands of dollars of unnecessary expense in many of the leading power and manufacturing plants of the country.

Do you have a system of Oil Purification that produces results? Do you have a spot where Oil Purification can be applied? Check this list.

Honan-Crane Oil Purification equipment is being successfully applied to:

- Diesel Fuel and Lube Oils
- Turbine & Hydro-Electric Lube Oils
- · Hydraulic Oils
- Insulating Oils
- Engine Break-In Oils
- Cutting, Grinding, Boring, Honing Oils and Coolants
- · Bearing Oils
- · Compressor Lube Oils
- · Quenching Oils
- Miscellaneous



PRODUCTION

Corn Pest Killer

Compound is mixed with fertilizer to combat devastating larvae. Illinois agronomist's experiments are successful.

A salt-like plant food substance that is now functioning successfully on an experimental basis may prove an effective weapon against the corn borer and thus greatly increase U. S. food supply and farm income. Last year's borer damage to the corn crop was estimated by the U. S. Dept. of Agriculture at \$36,000,000.

 Makes It Distasteful—The material now being tested is an inexpensive chemical combination which is mixed with fertilizer and spread on the ground to be taken up into the plant tissues.

The mixture does not kill larvae but renders corn stalks so distasteful that the larvae forsake the cornfield for untreated feeding areas. (Fortunately, neither the taste nor the wholesomeness of the corn for human beings and animals is affected.)

• Claims Cost Is Small—Developer of the treatment is John Bell of Watsek, Ill., agronomist for Darling & Co., Checago fertilizer manufacturer. He estimates that the substance, which remains a closely guarded secret pending patent proceedings, will increase the cost of fertilizing land for hybrid corn only 25¢ to 30¢ an acre.

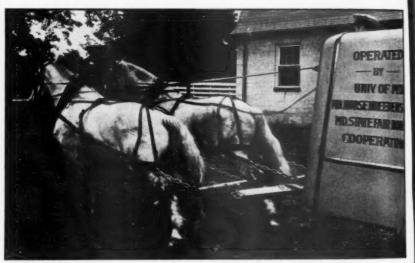
The borer larvae attack various crops, chiefly corn, by tunneling through the stalks and into the grain itself. The pest was first identified in this country in 1917, when it appeared in New England and in midwestern states.

 Eradication Methods—Farmers and researchers have tried various methods of eradicating it;

(1) By disposing of all corn refuse before the May plantings (the insects winter in dead corn stalks), a procedure that means a loss of organic matter that should go into the soil.

(2) By planting early "trap crops" to entice borers from the main fields, or by holding off plantings until corn borer moths have laid their eggs elsewhere.

(3) By importing parasite insects to de-



HARNESSES OF COTTON

Now going into production is a new type of harness that hitches up Old Dobbin with cotton-web straps instead of leather. Developed by the War Production Board, the fabric draft gear is designed to supply increasing domestic needs and to fill French North African orders for 60,-000 lend-lease sets. If all needs are to be met, 128,000 cotton riggings must be woven this year—representing a saving of 8,500,000 sq. ft. of cowhide. Six months of government tests on 20-ton loads show cotton harness to be as serviceable if not as durable as leather. Treated to resist mildew and sweat and impregnated with a poison that is fatal to African white ants, the new harness weighs 15 lb. less than leather gear, but it is only \$10 cheaper. "There are two good reasons why that Century Motor helps me on my job — First, it helps the grinder to run smoother and I get out more pieces with less rejects. Second, I don't worry about metallic dust, coolant mist or solution getting inside and destroying the insulation."

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1/20 to 600 horsepower



Take Advantage of CENTURY MOTORS'

Unusual Freedom From Vibration

To maintain a high rate of production with the fewest rejects on an accurate grinding job such as that illustrated above, two major conditions must be met. Certainly there are other considerations, but watch for these two basic points -

- The motor must be smooth starting and running so that it will not transmit appreciable vibration to the machine.
- The frame construction must protect the motor 2 from the hazards of surrounding atmospheres.

These two major considerations, plus many others, were considered by the Century engineers who recommended the Century motor for the application shown here, as well as for many thousands of others.

Call in a Century engineer to assist you with your electric motor application problems. His experience and advice may prove valuable to you.

CENTURY ELECTRIC COMPANY, 1806 Pine St., St. Louis 3, Mo.

Offices and Stock Points in Principal Cities

It's what goes on inside that counts



Inside an engine,
"blow-by" must be avoided

"BLOW-BY" is a costly evil. This leakage from the combustion chambers past the piston rings eats the oil off the cylinder walls, destroys lubrication, and causes excessive wear as well as power loss.

PEDRICK precisioneered piston rings prevent "blow-by" because they are Heat-Shaped. This exclusive PEDRICK process relaxes the stresses set up in the metal from machining operations and makes possible a ring shaped so accurately that it is absolutely light-tight in a cylinder. This shape is permanent, too, so PEDRICK rings assure the best possible seal against destructive "blow-by" for the life of the installation.

PEDRICK precisioneered piston rings are used in all kinds of service: In compensating Engineered Sets for worn or rebored engines in trucks, buses, tractors, and automobiles; in special types or to engineering blueprints for Diesels, compressors, refrigeration and air-conditioning units, etc., up to 36-in. diameter. Let us help you with your problem. WILKENING MANUFACTURING CO., Philadelphia 42 and Scranton, Pa. In Canada: Wilkening Manufacturing Co. (Canada) Ltd., Toronto.



vour corn borers, a difficult task which could conceivably result in the subsequent need to exterminate the exterminators.

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(4) By experimenting on a seed that would produce a pest-resistant stalk.

Yet, in 1943, the corn borer was twice as abundant in identical areas as in the previous year, doing the worst damage in the larger producing corn states.

• Yield Is Greater—Taking a new direction in his research, Bell spent four year injecting various combinations of chemicals into growing stalks of infested complants. He tried first the minor plant food essentials, and then the "trace" elements, until he found one compound that worked.

In recent tests, he mixed his compound with a commercial fertilizer and spread this over 1½ acres of a 42-acre cornfield. The chemical leached into the ground and was picked up by the corn roots. The treated area yielded 22 bushels more per acre than the untreated section. Corn borers had avoided the stalks in the treated areas and devoured the others.

• To Continue Work—Bell will supervise another year of experimentation, this time at the University of Illinois College of Agriculture, before he will claim 100% infallibility for the substance—although he says it gives enough protection to be practical even at this stage. Further testing should reveal whether the compound is harmful to the stem and leaves of the corn plant, or whether it might in time create a toxic condition in the soil.

NEW ALLOY FOR PLANES

Structural materials which lighten planes enough to permit heavier bomb loads are of immediate interest to the U. S. Army and Navy air forces. This explains the importance that Reynolds Metals Co. attaches to its announcement of large quantity production of a new high-strength alloy named R-301 and credited to its chief metallurgist, Thomas L. Fritzlen.

Initial production of the alloy began last year (BW-Aug.28'43,p48), but official announcement was delayed until this week. Exact composition of the alloy was not announced. Its core is an alloy of copper, manganese, silicon, and magnesium with about 93.6% aluminum, coated with another aluminum alloy rather than with pure aluminum, as the conventional type is.

The new Reynolds alloy and several other alloys developed by Reynolds and by the Aluminum Co. of America are said to excel structural steel, in tensile strength and yield, but not that of some alloy steels. Reynolds claims its R-301 can be used for armor plate in place of steel.

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Gasoline additive bought by Detroit after tests in city-owned cars. Experiment reported not run under controlled conditions.

Additives claimed to increase gasoline mileage have vaulted into public attention at regular intervals, and the scarcity of fuel for civilian autos has multiplied such appearances. A Medina (N. Y.) company hit a publicity jackpot last week, when Detroit city officials announced themselves so impressed after tests that they have contracted for a year's supply of the concern's product. • Claim Mileage Increase-The company is the Motor Fuel Corp., and its additive is "Powerine."

One gallon added to four gallons of gasoline was said by William M. Walker, Jr., of the Detroit Dept. of Public Works to step up mileage per gallon in city-owned cars from 14% to 25%.

Gasoline companies, whose files are crammed with "gasoline stretchers," were skeptical, though admitting that anything can happen. The point was registered that the Detroit tests were not run under precisely controlled conditions, and hence could not be regarded as scientifically final.

• The Ingredients-The ingredients of "Powerine" are not completely identified. Analysis of the additive, as made about a year ago, showed that it consisted of gasoline plus higher types of alcohol. One gallon mixed with 400 gal. of 65-octane gasoline raised the octane number a fraction of one point, about the effectiveness of 0.06 c.c. of tetraethyl

However, Detroit city officials were enthusiastic enough about their experiments to contract for about 7,800 gal., to supply 2,000 cars for a year, at about \$1.25 a gallon. The company will be required to post a performance bond.

· Results of Tests-First city testing was with 18 police cars, which registered an average of 10.75 mi. a gal. during January and February, 1943. In March and April, 1943, the compound was added to the gasoline, and the average then jumped to 12.12 mi. a gal.

A city official then drove 1,000 mi. in another city car, averaging 12.71 mi. a gal. With the additive in his tank, he averaged 15.97 mi. a gal. for the

next 1,000 mi.

Oil company researchers, however, claimed that March and April driving conditions are conducive to better mileage than are those in January and February.

HELP SHORTEN THE WAR BUY EXTRA BONDS NOW! Now is the time to be Careful!

HE fisherman who lands his catch I safely leaves nothing to chance—and today, on vital production lines, Hardware Mutuals policy back of the policy is safeguarding workers by eliminating chances for industrial accidents.

The policy back of the policy protects the interests of policyholders by giving them first consideration. In Workmen's Compensation and Liability insurance it provides an engineering service applied with exacting care to individual plant needs. The result is an accident prevention plan that means safer working conditions, better conservation of equipment and materials, greater volume and economy of production. Employe and public good will gains by prompt, sympathetic claim settlements.

For more than 30 years the sound management, financial

strength and faithful service of Hardware Mutuals have meant vigilant protection in other types of insurance as well, including Automobile, Fire and allied lines, Burglary, Plate Glass, General Liability, etc. Dividend savings now totalling over \$87,000,000.00 have been returned to policyholders - another result of the policy back of the policy. All transactions are handled by experienced fulltime representatives.

For improved safety, service and savings, investigate Hardware Mutuals policy back of the policy. Send for a free copy of our book, INDUSTRIAL SAFETY PROCEDURE, an important guide to better plant protection.

FEDERATED HARDWARE MUTUALS Hardware Dealers Matual Fire Insurance Company, Home Office, Stowens Point, Wits Mutual Implement and Hardware Insurance Company, Home Office, Osustanna, Minn HARDWARE MUTUAL CASUALTY COMPANY
Home Office, Streem Point, Wisconia

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Stevens Point, Wis. * Owatonna, Minn. * Offices Coast to Coast

Compensation, Automobile and other lines of non-assessable

CASUALTY AND FIRE INSURANCE



-for the tough jobs of today and tomorrow

Follansbee is furnishing alloy steels for a wide variety of uses in the thick of the fight. Steels which are employed in such diversified forms as sprockets for landing craft, transmission gears in tanks and heavy trucks, propeller hubs, landing struts for heavy bombers . . .

The war's end will not end the tough jobs for steel—and tomorrow will bring additional demands on the ingenuity and craftsmanship of those who work with steel. Follansbee can be depended upon to serve these needs with the same ability and dispatch that have always distinguished its record.

Follansbee's compact organization, using small basic open hearth furnaces, exercises the close, skillful control—from start to finish—which is essential in high grade alloy steels. And its exclusive Pre-Forging process—forging ingots into blooms and billets—is extra assurance of the sound steels needed for the tough jobs of today and tomorrow.

FOLLANSBEE STEEL CORPORATION

GENERAL OFFICES . PITTSBURGH 30, PA.



Sales Offices—New York, Rochester, Cleveland, Detroit, Milwaukee. Sales Agents—Chicago, St. Louis, Nashville, Los Angeles; Toronto and Montreal, Canada. Plants—Follansbee, W. Va. and Toronto, Ohio

ALLOY BLOOMS, BILLETS, BARS, SHEETS & STRIP . COLD ROLLED SHEETS & STRIP POLISHED BLUE SHEETS . ELECTRICAL SHEETS & STRIP . SEAMLESS TERMS ROLL ROOFING

Heat Harnessed

Closed cycle of operation feeds hot exhaust back into gas turbines. Operation cost is cut by reduction in fuel use.

Higher operating heats for the turbines, hence higher pressures and efficiencies, are promised through a new "closed cycle" of operation how in course of development by engineers of the Westinghouse Electric & Mtg. Co.

Orthodox Type—The basic Swiss-designed gas turbine—which is getting in first real play in this country as a compressor for facilitating the movement of refinery gases in the "cat-cracking" of high-octane military gasoline (BW—Jul. 3'43,p59)—operates on an "open cycle" wherein the hot, spent gases from the turbine are either exhausted into the atmosphere or used as a source of byproduct heat.

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In the "closed cycle," which may be regarded as the first major American development in gas turbines, the hot exhaust would be fed back into the turbine, "reducing the fuel necessary to attain the heat needed in the turbine."

• The "Closed Cycle"—The whole cycle would consist of (1) compressing fresh air with an axial-flow compressor, direct-connected to and operated by the turbine proper; (2) heating and thereby expanding the compressed air with fuel burned directly in the air stream; (3) whirling the turbine with the gases resulting from the combustion; (4) feeding back the exhaust.

 Weight Limits Use—Because of its additional mechanism, increased weight and size, and probable need for greater maintenance, the "closed cycle" is not expected to be used on gas turbines for postwar planes and locomotives.

Where it is almost bound to come in is in large electric power generating plants whose primary problem is neither weight nor space, but efficiency.

As Westinghouse men look at it, the "basic promise of the gas turbine for the future, at least for large applications which can afford the luxury of refinements, is that efficiency soars upward at a rate three times as great as for steam at each temperature jump."

FORM MAGNESIUM GROUP

Producers and fabricators of magnesium have announced organization of the Magnesium Assn., with temporary headquarters at 2537 W. Taylor Street. Chicago, 12, "to assure the future of magnesium alloys and to foster the de-



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Of plywood sheathed in aluminum, a novel 20-passenger ship raft developed by Gunderson Bros. Engineering Corp. is readied at Portland, Ore., for the Coast Guard's "back-breaker" test.



Dropped from 45 ft., the one-ton raft hits the water, then bobs up again (below) undamaged despite an extra load of 1,000 lb. representing emergency provisions.



velopment of fabrication techniques." Edward S. Christiansen, Apex Smelting Co., is president of the new association; C. C. Loomis, New England Lime Co., vice-president; C. E. Larson, White Metal Rolling & Stamping Co., treasurer.

Meanwhile WPB, as expected (BW—Mar.18'44,p10), extended its magnesium production cutbacks. It announced that Ford Motor Co. and Mathieson Alkali Works, Inc., plants at Dearborn, Mich., and Lake Charles, La., had been shut down; Electro Metallurgical Co., Spokane, and Permanente Metals Corp., Manteca, Calif., plants had been cut back to 50% of capacity, and Amco Magnesium Corp., Wingdale, N. Y., reduced 35%.

Tools to Schools?

War training program has worn out much equipment. Official estimates that schools could use \$200,000,000 of surplus.

Vocational schools have one answer to the problem of what to do with the surplus of machine tools expected after the war (BW-Feb.19'44,p20). Their answer: "Replace those in our machine shops which have been worn out or become obsolete during operation of the war production training program."

• Would Absorb \$200,000,000—The U. S. Office of Education sponsored this program. And Maj. S. M. Ransopher, assistant director of equipment, space, and priorities in that office, estimates that such replacements would absorb \$200,000,000 of the postwar surplus of machine tools and another \$100,000,000 of the surplus of small tools.

In the past 2½ years, the program has accounted for almost 6,000,000 trainees, and the wear on the machine tools has been considerable. A substantial number of the tools were new.

• Got New Equipment—The 2,600 war training centers directly subsidized by the Office of Education were fully equipped with new tools. In addition, the 3,800 trade and vocational schools which received financial assistance from the program also were given new tools to the extent of about \$45,000,000 to supplement their old equipment.

Training courses were of two kinds, pre-employment, for new employees or for those seeking to upgrade themselves, and supplementary, for those seeking a better understanding of the work they were doing. In the 2½ years ended Dec. 31, 1943, the supplementary course graduated four trainees to three for the pre-employment.

• Only a Fraction—Where the bulk of the worn and obsolete equipment lies is indicated by a breakdown, by states, of the number of trainees who have received instruction. The ten leaders are: California, 723,015; New York, 619,868; Pennsylvania, 524,879; Ohio, 330,861; Michigan, 322,967; Illinois, 319,540; Washington, 248,252; Texas, 207,402; Oregon, 189,659; and Indiana, 188,015.

While diversion of surplus tools to schools and colleges would account for only a fraction of the 500,000 units which one authority expects will be left in the hands of government agencies after the war, the estimates of the Office of Education official far exceed others which have been made public.



HOW DOES
YOUR MANAGEMENT FARE IN
"LUNCH-HOUR" CONVERSATION?

THE "PROTECTED PAY ENVELOPE"
HELPS MANAGEMENT BUILD GOOD EMPLOYEE MORALE!

... by providing protection that brings security to employees and their families.

*The Protected Pay Envelope provides, singly or in combination, Group Life, Accident & Sickness insurance, Hospital Expense benefits, and a Retirement income for employees.

CONNECTICUT GENERAL
LIFE INSURANCE COMPANY
HARTFORD, CONNECTICUT

Fits perfectly in narrow spaces

On 8°, 9" or 10" H columns—in restricted space between windows—in locations not wide enough for a standard panelboard—the



Type AC Thermag Circuit Breaker COLUMN TYPE PANELBOARD

is ideal . . . Built of standardized units, the @ Column Type Panelboard affords automatic protection against short circuit or dangerous overload, and prevents interruption of service from momentary overload.

The combination of the time-tried *Thermal* trip with the new *Magnetic* trip, in the individual circuit breakers, assures this double protection. On harmless, momentary overload, the time lag characteristics of the thermal element prevent interruption of service, but trip on sustained, harmful overload. On short circuit, the magnetic element causes faster tripping.

Furnished for either single phase, 3-wire, 115–230 volt, or three phase, 4-wire, 120–208 volt solid neutral service — 4 to 42 single pole branch circuits . . . Write for Bulletin 67 . . . Frank Adam Electric Company, Box 357, St. Louis 3, Missouri.

(Illustrated at left: Cat. No. NAC1BC-3L10 — Column Type Panelboard, with Wire Duct and Pullbox.)





NEW PRODUCTS

Folding Stretcher

Since there are no loose parts to assemble in the new H-M holding Stretcher, you simply unfold and lock it into position with four inbut fasteners. If any of the latter should fall to hold, the hinge in the stretcher is said to be so designed that it "remains



rigid without danger of collapsing." Weighing only 16 lb., it is so compact that it can be carried as a pack by any rescue worker (using the leg straps as harness) or stored in an automobile, plane, home, or plant first-aid cabinet.

The lower section of the stretcher is divided to facilitate the splinting of broken legs, there being an L-shaped attachment to take care of traction-splinting; broken arms may be traction-splinted through use of "bandage holes" in the stretcher frame. Means are also available for immobilizing a fractured neck. Accident victims are said to be so securely held that they may be lifted in almost upright position through manholes or other confined spaces and laid flat on the tops of the front and rear seats of an ordinary sedan. E. D. Bullard Co., 275 Eighth St., San Francisco 3, is distributor for the stretcher.

Automatic Tapper

Purpose of the new Electroaire Power Feed Unit, developed by the Bellows Co., Akron, Ohio, is the conversion of almost any type of drill press to the automatic tapping of precision, of "Class III," threads. It consists of a solenoid-controlled Bellows air motor which advances and retracts the whirl-

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• Lyon has already helped over 3000 contractors speed war production of aluminum and sheet steel parts. Aircraft, ships, guns, mobile units and tanks are going into battle with many Lyon-made parts or sub-assemblies.

We have open production capacity for fast handling of more of these war jobs. Our manufacturing plants are well organized as a result of more than 43 years' experience in sheet metal fabrication. Facilities include modern equipment for perforating, blanking, forming, assembling, drawing, enameling, annealing and lacquering. Approximately 2,000 experienced factory workers. Complete toolrooms in all plants.

Write on business letterhead for book "Craftsmen in War Production"... giving detailed information on Lyon's Facilities, Manpower, Finances and Management.

WHAT ABOUT POST WAR?

Do your post war products include sheet steel or aluminum? Check Lyon's manufacturing and designing facilities.

LYON

METAL PRODUCTS, INCORPORATED

General Offices: 410 Madison Ave., Aurora, Illinois . Sales and District Offices Manned by Experienced Engineers in All Principal Cities



distoric Virginia, mother of presidents, is justly proud of its heritage—and of its commercial progress, too. Today, Virginia's strategic location in the nation's greatest storehouse of raw materials—the South—has made this great state an important factor in our economic life.

Here in Virginia are resources and raw materials in abundance and variety. A land of expanding industry, diversified agriculture and friendly people, Virginia is planning for the post-war years when the Old Dominion will contribute in ever-increasing measure to the building of a greater and more prosperous nation.

The Seaboard Railway is proud of its part in Virginia's past development, for it has been an active partner in the expansion of this State's industry and agriculture. The Seaboard looks forward to the return of peace and to its part in the building of a greater Virginia in the brighter years ahead. Seaboard Railway, Norfolk 10, Virginia.



ing spindle. Speeds of feed and retration are independently controlled an are said to be "subject to infinite vantion," preventing thread "forcing" of the down feed, and permitting the taalmost to "float" out on reverse with minimum strain on the thread angle.

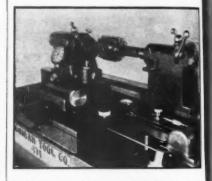
Since control is by foot switch, the operator's hands are free for inserting and removing work. The feed unit can be synchronized to solenoid-controlled jigs, work feeds, and fixtures to make the entire operation completely automatic. It can also be used for automatic drilling with wire-size drills at high speeds. Tip burning and drill breakage are said to be "reduced by automatically slowing the rate of feed at the break through. Precise depth control permits drilling or tapping blind holes to close tolerances."

"Glink"

Newest product to be formulated by the Stewart Research Laboratory, Franconia, Alexandria, Va., is Glink, a permanent ink for writing on glass, porcelain, and other ceramics. It is said to be "noncorrosive, nonpoisonous, and noninflammable." Mixed with glycerin, it can be used to ink a pad for rubber stamps.

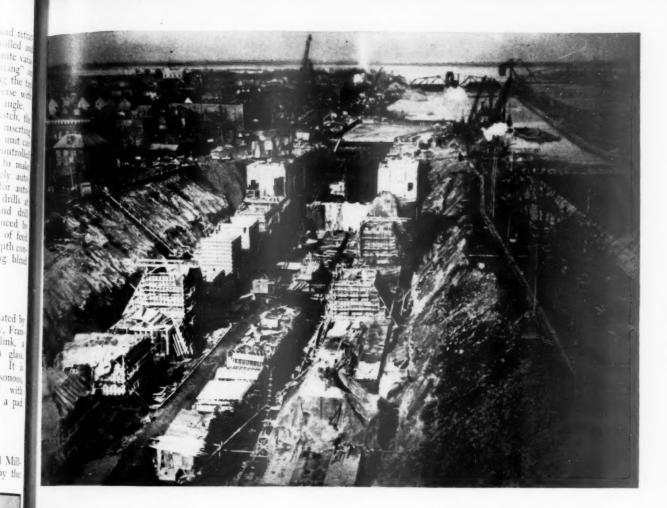
Cutter Checker

The new "Sine-Line" Hob and Milling Cutter Checker, developed by the

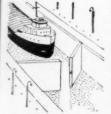


Michigan Tool Co., 7171 E. McNichols Rd., Detroit 12, not only will check the resharpening of a hob for correct rake angle and parallelism, as illustrated, but also will check both hobs and milling cutters for spacing of either parallel or spiral-gash flutes, taper on outside diameters, and concentricity of proof diameters. Two additional, interchangeable indicator assemblies may be had for checking the lead of a hob or the spacing of threads in multiple thread hobs and for checking depth of tooth in a topping hob.

A precision angle block with ground surfaces simplifies the setting of indiA M m o v tl



Building the lock that opened a door



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Jugular vein of our war effort... where night and day the deep-throated whistles of ore steamers demand passage... where a recordbreaking engineering feat

cleared the traffic jam from the threshold of the world's greatest marine highway and opened wide another doorway in that vital lifeline . . . the "Soo" Canal.

CONSIDERED one of the most important military installations in America, the existing locks in the St. Mary's River at Sault Ste. Marie normally handle more tonnage than any other inland waterway. But with the vast increase in wartime shipping, these locks could not handle the tremendous tonnages of iron ore and grain, so urgently needed.

To relieve the congestion, a new lock was needed...a lock that had to be built in record time. Normal scheduling for a job of this magnitude was 30 months. By strategic placement of materials and skillful planning, contractors believed they could reduce the time to 20 months...a record-breaking schedule.

But to be of greatest value, even more speed was required. To accomplish this construction miracle, the project contractor called on Rex Engineers to lay out the job for the use of Rex Pumpcretes. Through their use, concrete placement time was drastically reduced. Concrete was pumped by Pumpcretes through pipe lines to the forms . . . saving time, materials and labor. And as a result, the job was completed in the amazing time of 14 months.

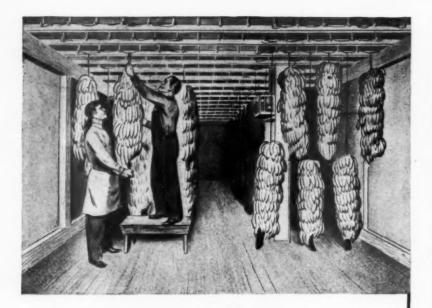
Rex Pumpcretes are typical of the products manufactured by Chain Belt Company. The complete line includes other equally efficient equipment for the mixing, hauling and placing of concrete and the movement of water . . . chain belts for the positive transmission of power and timing of operations . . . and specialized engineering equipment for the economical handling of materials.

*

REX Conveying and Engineering Products Division, REX Chain Belt and Transmission Division, REX Construction Machinery Division, Milwaukee 4, Wisconsin; Baldwin-Duckworth Roller Chain Belt Division, Springfield 2, and Worcester 3, Mass.

CHAIN BELT CO.

OF MILWAUKEE



No laboratory ever exposed wood to more severe test conditions

BANANA ripening rooms are held at temperatures between 56° and 70° F. Humidities are about 95%. Ideal conditions for rapid growth of wood-destroying fungi, but Wolmanized Lumber* is no ordinary wood. It stands up here.

VACUUM PRESSURE impregnation with Wolman Salts* preservative accounts for this unusual ability. Ordinary wood is thus made highly resistant to decay and termite attack—a fact proved by many similar installations of Wolmanized Lumber, in service for many years, in banana ripening rooms.

THIS WOOD ADDS its insulating value to that of the cork-lined walls, while serving primarily as a strong framework for the structures. Wolmanized Lumber is clean, odorless and paintable. Its use introduces no unusual problems; it is light in weight, easy to handle and erect.

SERVICE RECORDS on many other types of installations, covering millions of feet of Wolmanized Lumber, provide equal evidence of its lasting ability. Plan on profiting by the use of this long-lived wood by specifying it for your postwar construction. American Lumber & Treating Company, 1656 McCormick Building, Chicago 4, Illinois.

*Registered trade marks

AMERICAN LUMBER & TREATING COMPANY

cators for checking rake angle, parallelism, and so on. To set an indicate for checking hooked or raked hob, any good precision gage blocks (not furnished with the checker) of the required sizes are used. The measuring unit will handle hobs or milling cutters with outside diameters up to 10 in, lengths up to 8 in., and arbor lengths up to 16 in.

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THINGS TO COME

A compact meal in a single. quickly swallowed tablet or capsule is still as distant a threat as any gourmet hopes it will continue to be. The immediate postwar threat, but a benign one, is compressed food which will come to table with all the bulk and taste appeal of present food. For instance, enough ground, roasted coffee for a couple of cups will come compressed in a packet scarcely larger than a yeast cake, but ready for the pot in the familiar form of individual granules at the pull of a rip tape. Two dozen compressed, dehydrated eggs will occupy less space than a halfdozen unshelled eggs in a proposed consumer package that will contain an assortment of whites, volks, and whole eggs in individual, transparent cubes.

"Lapkin" is the word for the hemmed oblong of cloth that will shortly replace the square restaurant napkin. It will save fabric by cutting to better advantage, yet is calculated to fit the average lap more accurately than its predecessor, and to slip to the floor less frequently.

If only because one power plant can be made to do the work of two or more without commensurate increase in maintenance cost and fuel consumption, the sharply competitive postwar world will turn more and more to trailers for practically all types of transportation. Towed military gliders foreshadow peacetime trailer planes for freight and express if not for human passengers. Trailer trucks and buses will be limited in length only by the size of available payloads-or by highway legislation. More and more private passenger cars will do multiple duty by means of specialized trailers for tools or sales demonstration units or home supplies or home itself.



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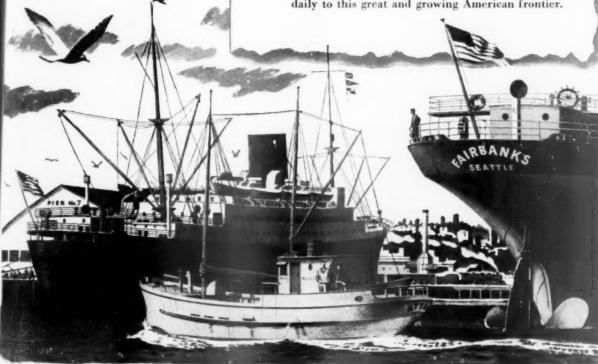
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Many people think of Alaska as a cold, barren, unsuitable place to live. Here are the facts: Alaska's coastal climate is comparable to Scotland's; more temperate than that of Minnesota or Wisconsin. Rugged, yes - but 40 million acres of Alaska can be profitably cultivated. The soil is fertile and highly productive. Much of the Territory is being opened for homesteading. Oil, coal, mineral, and lumber resources are almost limitless. Gold production alone totals \$25 million a year. Almost threefourths of all North America's canned salmon is packed in Alaska . . . a \$35 million annual industry. U. S. A. Millions of pounds of fresh and frozen fish are shipped from Alaska to Seattle. Fur farming is becoming big business . . . and there is every indication that Alaska's future pulp production will employ thousands more men! Seattle is the metropolis of this tremendous empire. Practically all of Alaska's vast wealth and commerce (exceeding \$100 million a year) funnels through this world seaport city of destiny. For years boats and planes have been leaving Seattle almost daily to this great and growing American frontier.



Seattle will grow and prosper with Alaska. Already a city of over 500,000 with far above-average per capita income, Seattle is one of America's brightest, most permanent markets. Keep these facts in mind in making your plans for the future. The SEATTLE TIMES covers Seattle intensively. It is the preferred newspaper in 7 out of 10 Seattle homes.



Represented by O'MARA & ORMSBEE, INC., NEW YORK . CHICAGO . SAN FRANCISCO . LOS ANGELES

MARKETING

Fewer \$50 Suits

Men's clothing industry foresees a shortage in higher priced brackets due to greater demand and scarcity of imported cloth.

Civilian gentlemen who step out in this year's Easter parade in new spring suits will reveal that WPB has relented somewhat in its regulations governing the male section of the clothing industry.

For legs less than 35 in. long, trouser cuffs will be worn. Patch pockets also are back, but only because there is more wool available for this type than there is cotton cloth for the conventional lining.

No New Styles—WPB still outlaws vests for double-breasted suits, the extra pair of trousers, and pleats for pants.

Few men will mourn the passing of pleats (copied from English dudes) because they showed off any frontal bulge too definitely. But the retailers took a licking in this sector. Storekeepers had plugged for greater freedom in design, hoping to ring in the ancient device, effective with women, of changing the style so that you had to have a new suit or appear outmoded.

 No Cloth Shortage—WPB stood pat on its major regulations in the face of pleas that there was a huge wool surplus (BW-Feb.5'44,p41).

Also it was pointed out that England has eased restrictions in the face of labor shortages as severe as those in the U. S. Washington's attitude is that its problems and Britain's are separate, that elaboration of design in clothing must be discouraged because of the labor involved and not because of the cloth supply.

Moreover, WPB holds that a vast majority of men don't give a hoot for style change, but prefer new suits like the old ones for which they have developed an affection.

• British Policy—Britain's relaxations are further evidence of her concern over the prospects of peacetime industries.

There officials are letting contracts to meet the day when service men will discard uniforms for mufti. Britain's Ministry of Supply has ordered 1,000,000 civilian outfits which will be distributed free to discharged service men. They will be complete from hats to boots, will come in more than twelve different styles. The suits will cost the government about \$21 each.

• Guessing in the U. S.—On our side of the Atlantic, spring finds the clothing industry in a guessing period.

There are no rumors of rationing such as enlivened demand during the early part of last year. Moreover, this Easter comes early, follows a sequence of bad weather, a continuation of which word certainly hold down demand. A cosensus at this stage of the market work sound something like:

"Stocks are not burdensome. We should sell all the spring and summer clothes we can make. Emphasis will continue on higher-priced goods."

• Market Factors—While there is please.

• Market Factors—While there is plent of raw wool, the industry is up against shortages in labor to make it into fur ished textiles. Clothing manufactures have contributed many men to the armed services. There are specific shortages in cotton linings and in slide fasterers. Shirts, pajamas, underwear are scarce, too.

Retailers sense no impulse likely to stampede buyers. More and more me are going into the service where Unch Sam will pay for their next suits.

Additional thousands of the defend may get draft calls—and these are not going to put out for new clothes.

Even the over-age war workers are not expected to boost demand. Generally they are past the romantic period when clothes mean much. Then, too, they are working hard and long, don't feel like dressing up when they get home. Their inclination is to comfort rather than sattorial glory.

 Manufacturers Busy—This won't make much of a hole in manufacturing schedules because the industry still is working on military contracts.

Urgency of orders for the Army and Navy has eased as planned forces approach the strength of final estimates. Current statistics haven't caught up to

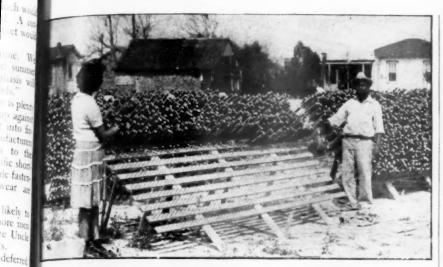




SHOPPERS' SPECIAL

Last year about this time it was chickens; now happy with the response of city farmers, Macy's in New York has gone off the merchandising deep end with a real department store barnyard. For a price, city dwellers and suburbanites have their choice of cows, pigs, goats, or sheep in several breeds—and a pedigree with each and every sale. Dubbed a Macy "scoop" is a herd of nine tiny Mediterranean donkeys (right), lure for juvenile shoppers and their mammas. Never missing a bet. Macy also has gathered in a new stock of the necessary livestock equipment—from milk cans and milking stools to a large and varied assortment of motorized bottle washers, wash tanks, and cream separators.

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MUSICAL CANEBRAKES

Long a nuisance to land owners, rank canebrakes along the Rio Grande River now supply a wartime substitute for musical reeds formerly imported from France. Del Rio, Tex., is the center of this industry which employs Mexicans to cut the tall bamboolike cane (left) and cure it by a tedious process in the sun (above). Their market is New York's French American Reed Mfg. Co., which takes the stalks in 18-in. lengths and machines them into reeds for clarinets, saxophones, bassoons, and similar instruments. As one of the largest domestic producers of musical reeds, the company hopes to supplant French reeds and domestic-made reeds of Spanish cane, thus making the United States independent of imports.

deliveries, but previous years give an idea of what has happened.

In 1937, the clothing industry produced 25,378,000 units, practically all civilian. Our first year of war, 1942, saw a drop in civilian units to 22,614,000, but uniform deliveries raised the total to 35,-359,000.

· Labor Stabilized-The union that rules the roost in men's and boys' clothing is the mighty Amalgamated Clothing Workers. Sidney Hillman, Amalgamated's politically adept leader, has capitalized on New Deal encouragement and war conditions to raise the union's total membership to 350,000, an all-time high.

Amalgamated has kept its grip on the uniform business because the skills of its members are required on military coats and overcoats. Since the union has about all it can handle, it hasn't raised too much fuss over the manufacture of military pants in nonunionized and lessskilled shops in the South. Workers have been able to deliver clothing for both civilians and fighters by simply wiping out the slack spells, which came twice yearly under normal conditions, and working steadily all twelve months.

• Trade Expectations-This comforting stabilization extends to the shops in Chicago and Rochester, which make the better grade clothes, and to those in New York and Baltimore, which run to cheaper categories.

Expectations of the trade are indicated by reports from representative manufacturers.

Hart, Schaffner & Marx foresees a

"Go over" better

the very next time you make a talk or speech

Dip into this new book

Dip into this new book for 15 minutes or half an hour when preparing your next talk you're bound to come up with half a dozen valuable tips on delivery, and modern stories and quotes to add a lot of life, color, and punch to your talk. From these notes of a capable and long-experienced speaker you can get sensible advice and usable ideas for quick application in the kind of speaking jobs you are interested in. Gives a great collection of quotable material, both serious and humorous, and simple factors of successful speaking, presented in a way that you can follow easily and use with good effect on your audience and in development of your own confidence and satisfaction.

Hoff man's

The SPEAKER'S NOTEBOOK

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• How to improve your skill and effectiveness

This book takes up public speaking from a realistic approach—gives dozens of down-to-earth tips, unembellished by any complicated theoretical approach, that you can apply in adapting your subject matter to the audience and the occasion, in using illustrative material effectively, making a good impression at start and finish, getting over platform jitters, acquiring a pleasant manner, getting your talk across, etc., etc.

· How to use humor in public speaking is given special attention in two chapters that tell when to use a story, what kind to use, how to tell a story-pointers that will help many speakers to make better use of this important technique.

Gives HUNDREDS OF STORIES

and quotes to drive home points in your talks

12 stimulating addresses by prominent people, dealing with teday's most pressing problems, are outstanding examples of well-developed talks, well worth study. In addition, they offer you quotations and source material for discussion whenever your own talks touch on these

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THE extra years of service that your Hackney Deep Drawn Shapes and Shells provide, are made possible by Pressed Steel Tank Company's more than 40 years of experience. As a result of Hackney design, you are assured of ample strength to withstand costly damage... light weight with its important economies . . . and uniformity, which is one of the main factors of continued customer approval.

Research, production skill and careful testing, from raw material to finished product, are your assurance that the profit advantages of the design are present in all your Hackney Shapes and Shells.

Hackney products are contributing to the war effort in many ways. As the need for these products becomes less critical—as the supply of material becomes more readily available, Pressed Steel Tank Company plans to resume the production of products to meet civilian needs. Write for details.

Pressed Steel Tank
Company

MANUFACTURERS OF HACKNEY PRODUCTS
General Offices and Factory: 1493 South 66th Street
Milwaukee 14, Wisconsin

shortage in suits retailing at above \$50. These clothes usually are made from inported materials, and imports have due up. In the past two years, H.S. &M. ha almost doubled sales in more expenses suits, retailing at \$60 to \$65.

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• Price Range Boosted-Alfred Decker & Cohn (Society Brand) reports a 100% increase over peacetime 1939 in sals of expensive suits retailing at \$55 to \$575. Instead of starting the price range at \$45 as in 1939, present prices star at \$55. In October, 1942, retailers ordered cautiously. Result: The surge of buying in early 1943 found them short of supplies. This spring will be good by contrast, but not so good as 1941.

B. Kuppenheimer & Co. is making 35% more suits than last spring, but deliveries won't be completed until June Shortage, if any, will be in the higher brackets, \$75 to \$85.

• Colors Predominate—Bond Clothing manufactures for 59 of its own stores in the big cities, its suits retailing at \$28 to \$40.75. The company can "sell anything it can make" but expects no sensational season because of military inductions and material shortages.

A leader in the summer clothing field is Goodall, producer of Palm Beach cloth and maker of Palm Beach suits. Suits retail this year for \$19.50, same a last year. There has been a terrific demand for Army uniforms in suntan and Navy uniforms in the new gray which sell for \$19.95.

MEMORIAL TO DRINKIDEND

The privileged status of American Distilling Co. stockholders, who are entitled to the company's "drinkidend," was committed to posterity last week. The eminence which these stockholders enjoy among their convivial acquaintances will last as long as the liquor which they elect to buy in lieu of cash dividend (BW-Jan.1'44,p98).

For the company announced that blended whisky moved in this manner will bear the brand name "Privilege" when sold to stockholders who are not licensed to resell it and "Special Privilege" when sold to stockholders who are licensed. Bonded whiskies will be branded "Prerogative" and "Special Prerogative" and be distributed in the same manner.

American Distilling still is grappling with OPA over alleged above-ceiling sales. Thwarted in one try, OPA has filed a second triple-damage suit against the company in U. S. District Court at Peoria, Ill., claiming \$7,509,336 for the sale of 77,257 bbl. and 173,813 cases of whisky at illegal prices. The court threw out the first case on grounds of insufficiency.

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Packers Revolt

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Buffalo loses fourth of its meat as small slaughterers strike against OPA ceilings and rising livestock prices.

For three weeks, the city of Buffalo has been missing as much as a fourth of its meat supply, because 25 local packets are feuding with OPA. They have gone on strike in protest against the way they have been squeezed between rising prices they must pay for cattle and lambs on the one hand and fixed prices they receive for meat on the other. And they find no adequate relief in the sliding scale system of subsidy payments devised by Fred M. Vinson, director of the Office of Economic Stabilization (BW—Oct.30'43,p14).

• Need Wider Margin—The subsidy may be well adjusted to keep the big efficient Chicago packers in business—the men with large volume sales who can squeeze extra dollars out of a steer by converting everything but the squeal into byproducts—but it is not adequate to cover their need, say the Buffalo mackers.

They are nonprocessing packers. They need a wider margin between buying and selling prices on meat in order to break even, and today price ceilings put a big crimp in that margin.

• Their Proposition—So the Buffalo packers, who estimate that they were losing between \$15 and \$17 a steer when they shut down, have made three propositions to OPA:

(1) Higher price ceilings; (2) a "custom killing" plan under which they would be paid a fee for slaughtering, with their customers buying the live cattle and receiving not only the meat but the hide and offal as well; (3) a cost-plus basis of operation, under which the packers would be allowed to quote prices sufficient to return actual expenses plus a fixed amount or percentage per animal.

SPIEGEL GOES RETAIL

Eight months ago, Spiegel, Inc., let it be known that it intended to follow the lead of other mail order houses, notably Sears and Ward, and branch out into the retail store field (BW-Aug.7'43,p85). This week Spiegel suited action to the word by announcing acquisition of the 46 women's ready-to-wear stores which comprise the Sally chain operating in 14 states. Sale price of the chain, which did an estimated \$10,000,000 business last year, was reported to be \$1,275,000.

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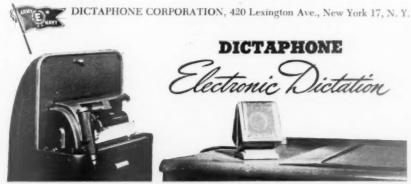


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THE REGIONAL MARKET OUTLOOK-

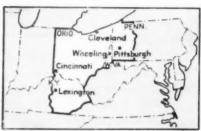
A summary of industrial, agricultural, and other trends affecting the income and general business prospects in the twelve Federal Reserve districts of the nation for most recent month. (Last month's report: BW-Mar.4.4+p102)



• Boston—As in the nation, employment here is being squeezed down because replacements can't be recruited for drafted men. Cutbacks will release only a few of the 100,000 additional workers needed for key lines, mostly in areas already short of labor. So, such lower-wage industries as cottons, woolens, and shoes will lose labor instead of filling needs for more; and controlled hiring, which limits the impact of a 20,000 man deficit on central Connecticut arms plants, may be extended. Such areas as Providence, Lowell, and Manchester will continue to lose employment—particularly since female labor already runs better than 50% of the factory total in many towns.

New England farmers, even more than those elsewhere, intend to plant more feed crops this year—hay, corn, oats, etc. Maine potato plantings will be off a bit, but Massachusetts and Connecticut tobacco acreage

will be up more than 10%.



• Cleveland—Pressure for manpower has stepped up again, after the winter dipfor coal and steel in the eastern half of the region, and aircraft and other arms in the west. Nonetheless, employment is slipping, mostly because of the draft, and factory jobrosters are only a mite above last year's in all major industrial centers. That's true elsewhere, of course, and the close correspondence in income gains between the district and the nation continues—with slightly better advances here over prewar figures than on the average.

Changes from last year in livestock population and in spring planting intentions are about in accord with the nation's, indicating that 1944 farm receipts may advance about as much here as elsewhere. On the other hand, except in eastern Kentucky tobacco areas, agricultural income in 1943 lagged by a wide margin; livestocks returns were high but crop receipts low.

Buffalo Albany CONN;
Newsork

• New York—District industrial activity, following national trends, slipped off from November through February, but stabilized, and in some cases even quickened, during March. The recent stepup was especially noticeable in northern New Jersey war factories, and aircraft engine work is again expanding at Buffalo. Nonetheless, the recent easing has left its mark—5,000 fewer jobs at Bridgeport, reduced employment on Long Island, and even lower payrolls now than a year ago in Elmira, Utica, Schenectady, and other upstate towns. In point of gain over 1943, the Buffalo and northern New Jersey areas trail Syracuse, Binghamton, Poughkeepsie, and New York City.

For here, traffic through the port, already

For here, traffic through the port, already quadruple the prewar rate of export shipment, is still expanding. And service lines restaurants, amusements, hotels—are busier with transient visitors, business men, and

other wartime travelers



• Richmond—Payrolls are due to rise in the textile towns of the Carolina Piedmont over the next month or two as increases in minimum wages to 50¢ an hour take effect, and as overtime operations are stepped up under indicated government orders. Payrolls are holding up in district war industries, though production cutbacks have hit some spots—trainer planes at Hagerstown, Md., and graphite electrodes at nearby Morgantown, W. Va., for example.

Plantings of major field crops will be up, but reactions to higher peanut and soybean prices are still unknown, as is the cotton acreage—particularly with wet weather delaying plantings. Though North Carolina fruit crops were damaged by March cold, South Carolina's were not, and much improved fruit yields are hoped for in West Virginia. Also, Carolina milk subsidies have been upped, while northern district dairymen are still dissatisfied.



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• Philadelphia—As in the nation, payrolls in this region are tending to flatten out, though shifting of workers to war lines offsets the shrinkage in labor supply. Controlled hiring has been instituted in the industrial area about this city, to obtain 30,000 more workers for war lines, despite a few recent cutbacks in apparel and ordnance contracts. Trends in other towns are mixed.

Scranton's new aircraft parts plants will soon employ some 5,000 workers, just when the military draft is worsening the anthracite labor shortage. Berwick now is busy with rail and farm equipment work; a lapse had followed the tank cutback a year ago. Trenton is still critically short of hands for aircraft and metal factories, but Wilmington, Williamsport, York, and other towns have an easing labor supply, at least for the time being. Johnstown and Altoona, in the western part of the district, still have a relative labor surplus.



• Atlanta—Yields of current fruit and truck crops in Florida and Gulf Coast areas are up from last year, bolstering farm receipts. Further north in Alabama, Georgia and Tennessee, however, cold and rain have delayed planting operations. Tobacco acreage will be up 20% this year, and peanut plantings will be higher, but fewer acres will go into soybeans. More cotton land is going into pasturage for cattle.

Employment in war industries is still rising, though manpower supplies as a whole are limited. That boosts payrolls, especially in this district, where wage differentials between peacetime lines and war industries are especially large; indeed, average wages, while still below the nation's, have increased more sharply through the war than have the nation's. Cutbacks, of course, are still coming in—the latest being in training planes at Nashville, Tenn., and magnesium, at Lake

86

GUIDE TO INCOME TRENDS

Industrial activity rebounds from winter dip in most sections, but draft reduces employment. Many farm areas are delayed by rains from following through on intentions to increase plantings, particularly of feeds.



· Chicago-The spring push opens this month on the farm front here. Growers intend to seed almost 2,000,000, or 7%. more acres to corn than last year, and almost 500,000 more acres to oats-hoping to refill depleted stocks of feed, which "make" the meat and other products that yield farmers their chief receipts. Michigan boasts the sharpest boost in plantings. Continued heavy moisture not only has broken the win-ter drought, but now is delaying planting and other spring work; farmers, however.

later produced bumper crops. As elsewhere, the draft has been pinching factory employment in the district-even in this city, where the shortage is acute because new plants are still hiring heavily, even as new expansions get under way. But job

recall how last year's worrisome, heavy rains

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rolls are still well above year-ago levels in all major centers-here, Detroit, Indianapolis,

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• Kansas City-Continued heavy rains and snows have gone far to improve subsoil moisture for spring crops-and for winter wheat yields-though temporarily, both plantings and wheat growth are delayed. Western areas, however-Wyoming, Colorado, and northern New Mexico-have not benefited nearly so much. Livestock populations have not increased quite so sharply over the last year as in the nation, but during the war, the effects of the drought ten lears ago have been overcome.

Minor expansion is under way in facilities for alcohol-from-grain, for soybean processing, tires, etc. Over the past year, Oklahoma has scored the best gains, in both total and manufacturing employment, Thile Colorado has suffered the sharpest declines. In Kansas and Nebraska, total jobs are down, factory work up. In general, the region no longer is scoring better-than-

a crage gains in payrolls.



• St. Louis-Income gains in this region as a whole are not apt to equal the nation's this year, but may not run far behind, either. In 1942, both agriculture and industry scored better-than-average gains. In 1943, floods hit southern Illinois, Missouri, and Arkansas farm receipts, while arms work went up further. Now, a rebound in farm weather is likely, whereas cutbacks in the past few months have already started industrial payrolls downward.

Only Louisville is badly short of labor among the large centers, and only a few such spots as Quincy, Ill., and Pine Bluff, Ark., are troubled among the smaller ones. Otherwise, relative labor surpluses are general-in St. Louis, Evansville, Memphis, Little Rock, Springfield, Paducah, and most other cities. Unemployment is still at a other cities. minimum, but workers released by cutbacks have been absorbed in lower-paying in-

dustries



• Dallas-Continued heavy rains are delaying spring plantings, especially of cotton. Fewer acres will be planted to corn, hav, and barley, but more to sorghums, oats, and probably cotton, if weather doesn't interfere. But the rains have restored subsoil moisture, auguring good harvests, if sunny days come soon; winter wheat has been helped, and western ranges are greening fast. Winter fruit and truck producers are having a bumper year.

Dallas-Ft. Worth now boasts 80,000 factory workers-over three times the prewar number, and 25,000 more than last yearchiefly on aircraft work; but payrolls now are flattening out. New plants-for glass at Waco, aviation gas at Texas City-are still opening, but factory employment is beginning to slip, because of labor shortage in such lines as lumber and textiles, better use of labor in some of the war industries, and



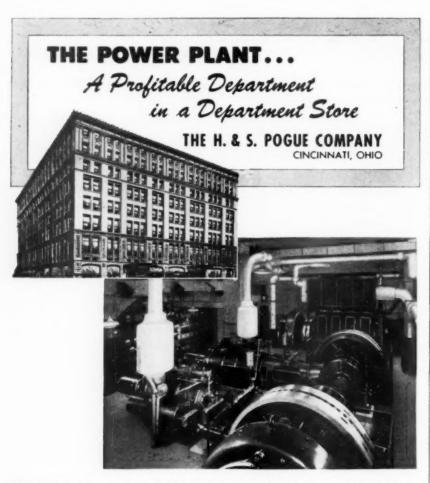
• Twin Cities-District prospects depend greatly on spring planting weather. Sowings of both wheat and corn will be up, so good yields will bring bumper crops. In Minnesota, both the hog and cattle populations increased less than average over the past year, but dairy cows number more than average; the reverse was true in the western district states. Implication is for sharper income gains in the West again this year, smaller ones in Minnesota.

In Minnesota, two sugar refining towns-Chaska and East Grand Forks-have been making alcohol from potatoes; Crookston is acquiring a potato dehydration plant, but, because less hemp is to be planted, only three of eleven processing plants will re-open this year. Ordnance work here is tapering off, but shipbuilding is going strong at Duluth-Superior, Lake shipping is opening, and the iron mines are looking for com-



• San Francisco-Shifting war scenes require construction workers to build new depots, replacement centers, and air stations in the Alameda, Fresno, and Oakland areas, while troop movements overseas are hitting business in towns near training camps. facilities under way are for locomotive assembly at Portland, and structural steel at Provo, Utah. Manpower is still the main Though output is above last year's, such industries as oil and lumber need more workers as badly as aircraft which is short 25,000, and shipbuilding, which is being forced from eight- to ten-hour shifts. Many workers are returning home. Fears of shipbuilding cutbacks are being allayed by more ship repair work and by Kaiser moves to get new ship contracts (BW-Apr.1'44,p24).

Shipments of California's increased citrus crop are up almost 20% above last year. Washington and Oregon, however, have had only two-thirds the normal winter moisture.



WHEN the modern building program of this distinguished old department store was started in 1903, the far-sighted management installed four 100-kw. Skinner Steam Engine-Generators to produce electric power. Additions to the store and continued increase in electrical loads made it necessary eventually to replace these small units with four larger steam engines of the more modern Skinner "Universal Unaflow" type.

Exhaust steam at low pressure is used in winter for heating; and during the unusually long cooling season the exhaust is also employed at

the same pressure for air conditioning.

Correct engine design and efficient attendance are reflected in the low maintenance cost in this plant. Combined with the permanently high economy of the engines and the maximum use of exhaust steam, these factors show a remarkably low cost of generated power. Thus the power plant has, for 40 years, proven itself to be one of the more profitable

departments in this store.

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FLURRY OVER BEER

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The industry habitually duns en phasis on alcoholic strength of its bren. trying to live down the overemphasis this point which resulted from legalize tion of 3.2% beer in the period just b fore repeal lifted all limits on alcoho content. But accusations prevalent d ing the last fortnight-that the indust has "thinned down" beer by stretching curtailed malt supplies as the deman for the beverage has increased -brough forth an authoritative statement from the Brewing Industry Foundation.

Beer distributed to civilians last year averaged 3.3% alcohol by weight, the association announced. Measured by volume it was 4.24%. Significantly, the military requires that beer for the armed forces be 3.2%.

Brewmasters declare that prewar beg was little stronger than present average ranging down from 3.8%, and that a greater alcoholic content does not make for a better beer, however much 13 years of prohibition made the public think so.

Beer that will go overseas this year to the U. S. fighting forces will be packaged in 2,000,000,000 olive drab beer cans instead of in barrels which permit evaporation. WPB has recently authorized use of approximately 2,000,000 base boxes of electrolytic timplate for the beer cans.

P. S.

The New York Times radio station, WQXR (BW-Feb.5'44,p85)-famous for the predominance of classical music on its programs-last week took another step forward in the interest of esthetics. Henceforth, WQXR will not accept new advertising contracts which call for singing commercials or jingles. . . It's an old story when food companies go into distribution. But last week a shipping company, Isbrandtsen-Moller Co., announced its entry into the food business. First item to be distributed under the company's brand name is '26" coffee. A line of teas and chocolate sirup will follow shortly, and a wide selection of imported foods is projected for postwar distribution. After the war, the company may even take on a few domestic products to round out its line. . . The National War Labor Board has granted the request of the Ameri-

can Federation of Musicians for public

hearings. At issue will be the NWLB

panel report on the union's transcription ban (BW-Mar.18'44,p107). Both sides will be heard once more before a

decision is made.

Business Week . April 8, 1944

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The issues change from ne to time, but chasm between bor organizations is as wide as ever was in past eight years.

Although some surface indications lie it, the labor movement is as beset ith internal fights today as at any time are the split between the C.I.O. and a A.F.L. eight years ago.

13,000,000 Members—These rows are acted to counterbalance the fact hat organized labor has more memers enrolled than at any time in history. With more than thirteen milon members organized into what ould be the greatest single pressure roup in America, labor is complaining hat it lacks representation and a voice in government.

Yet, when labor does get representaion and a voice, it frequently happens hat the internal fights destroy the pos-

ible advantages.

Little Steel Split—Thus, a bitter AF.L.-C.I.O. row tied up the National War Labor Board for ten days while the two rival groups jockeyed for the doubtful honor of leading the fight against the Little Steel formula, which limits wage increases to 15% above evels of Jan. 1, 1941.

Instead of supporting the demands of the C.I.O. United Steelworkers for a 17-4n-hour wage increase (BW-Mar. 25'+4.p17), the A.F.L. members threatend to join with the board's employer members to deny the steel workers a hearing unless the federation could be granted a chance to attack the wage

formula simultaneously.

• Two-Ring Circus—The board finally made a two-ring circus out of the whole afair, allowing the steel workers to go ahead with their case (BW—Apr.1'++. pl5) and setting up a special panel which this week began hearings on AF.L. complaints. This division gives the Administration, in its effort to hold the wage line, a chance to continue playing the ambitions of one group against the other.

And the fact that American labor has a voice in the International Labor Organization has lost importance because the A.F.L. and C.I.O. could not agree on a joint delegate to the Philadelphia conference (BW-Mar.18'44,p90). The A.F.L. threatened to boycott the conference if the C.I.O. got representation. The C.I.O. backed down this week



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The star on every POWELL Cast Steel Valve is something more than a trade mark. It is, in fact, a symbol of its fitness to play a "star role" in the great drama of modern industry. And this fitness was acquired "the hard way".

First the painstaking, thorough study by POWELL Engineering of the actual requirements to be met. Then the ability to evolve a design to meet these requirements perfectly. Next a perfect casting, expertly machined to the most exacting standards. Finally back to POWELL Engineering for the most rigorous tests under actual service conditions. Truly Powell performance is pre-determined.

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U. A.W. RIVER HOUSE

Taking advantage of healthy treasuries, C.I.O. unions are investing in choice real estate. First the United Electrical, Radio & Machine Workers bought the Vanderbilt mansion in New York (BW-Apr.1'44,p85); now

the United Auto Workers has put chased a mansion on Jefferson And Detroit-once the home of the la Edsel Ford. Equipped with swimmin pool and boathouse on the Detro River, the estate cost U.A.W. \$50.00 It will be remodeled to house the union's Medical Research Institute.

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but emphasized that A.F.L. delegates at the conference may not speak for the C.I.O.

• Independents Protest-Rivalry exists between the A.F.L. and C.I.O. on one hand and independent unions on the other. The independents are angry because they have no representation on NWLB. And C.I.O. unions are raiding independent groups with the argument that they cannot get any wage increases for their members because they lack NWLB representation. Some of the independents are organizing workers by asserting that they can bring more strength to bear because they are not bound by the wartime pledge not to strike.

The independents have been unable to agree among themselves on the question of NWLB representation. The telephone workers and East Coast shipbuilders have agreed to a compromise giving them staff representation on the board, but the Mechanics Educational Society of America and others have refused to accept anything short of full representation.

• U.M.W. Holds Out-John L. Lewis' United Mine Workers and the A.F.L. have been unable to reach an understanding on jurisdictional questions which block the return of the U.M.W. to the A.F.L. Lewis is now considering withdrawing his application for real mission to the federation to continu on his way alone.

This lone role possibly would involve a new effort to expand U.M.W.'s catch all District 50 into a third nation federation.

• Political Front-C.I.O.-A.F.L. 1018 are not confined to the economic field The A.F.L. has instructed its affiliate to have nothing to do with the C.10 Political Action Committee headed by Sidney Hillman and has repeatedly blasted left-wingers in the C.I.O. And jurisdictional rows are frequently empt-

On such a relatively clear-cut question as payment of dismissal wages to discharged war workers, the C.I.O. has come out whole hog for these severance payments, but the A.F.L. has held back and decided to press for higher uncurployment insurance payments.

• Right vs. Left—And within the C.I.O. a cleavage exists between right-winger and left-wingers along political lines. A right-wing opposition to the Hillman committee has developed within the C.I.O., although it does not embrace all right-wing C.I.O. unions.

The right-left split in the labor move ment has also broken the American Labor Party in New York into two wrangling factions.

bs for Veterans

Cleveland survey forecasts stwar scramble of three men each opening, and Selective rvice offers a guide.

in Cleveland there are 15 industrial ints which could be required to proe jobs after the war for 23 times as my men as they employed in 1939. Put it another way. Assuming a 1939 el of employment, there can be 275 imants for every 100 jobs in those

Postwar Scramble—The prospect is gely theoretical, for there are qualifyfactors which serve to mitigate for
ployers the problem of reinstating
ose of their employees who are honably discharged from the military serve
and who are physically qualified for

But it illustrates the possible intentity of the postwar scramble for jobs at industrial establishments which have ad to hire a succession of two, three, in four men for the same job to cope with the drain of the draft. A survey by the Associated Industries of Cleveland reveals that the 15 plants have unrendered to the armed services two or eight times as many as they employed in that base year; that 34 others yielded more than 100%; that 78 others

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have lost 69½%.

• Average Loss 55½%—The survey covered 414 manufacturing concerns which employ 135,565 of Cleveland's industrial army of 250,000 persons. These firms were shown by the analysis to have lost, on the average, 55½% as many men as they employed in 1939.

• Language Isn't Clear—Section 8 of the Selective Training & Service Act provides that a still-qualified veteran applying within 40 days after discharge must be returned to a job of seniority and pay equal to the one he left.

But there are muddy phrases in the law limiting this job guarantee to those who held other than a "temporary" position and allowing for the possibility that the employer's circumstances may have changed to an extent that would make it "impossible or unreasonable" to rehire a former employee (BW—Apr.1'44.p82).

• What Is "Temporary"?—Pending Supreme Court interpretation of Congress' meaning, Col. Paul H. Griffith, chief of the Veterans' Personnel Division of Selective Service, has ventured into the realm of interpretation with this definition.

"A temporary employee is one holding a job once occupied by a man who



New Twist for the Big Push!

Pulling the cork from war-production bottlenecks is an everyday job for the spiral rotor of the R & M Moyno Pump. Just one moving part, the rotor, is pumping just about anything that will go through a pipe. It's really in on the "big push" in war plants all over the country.

★ For example, a manufacturer of ready-mixed mortar in Dallas needed a pump for two tough production operations. Abrasive, hot milk of lime had to be pumped through 60 feet of pipe and then up 30 feet into steel storage tanks. After three weeks, the water was drawn off, leaving a thick lime putty. This hard-to-handle mass had to be brought down from the storage tanks and boosted into loading hoppers 20 feet above the pump. And for five years, a single Moyno Pump has been doing both these jobs.

*Are you up against a pumping "stickler" involving materials that refuse to be pushed? Write us! We'll do our best to help. We can help, too, on problems of electric motor application, materials handling, ventilation, or converting machines to direct drive. Address: Robbins & Myers, Inc., Springfield, Ohio. In Canada: Robbins & Myers Co. of Canada, Ltd., Brantford, Ontario.





Plant feeding controls the nutrition vital to workers' health and productive capacity. The right kind of food served in the plant supplies workers with pep and energy they can never find in the snack grabbed down the street or in the rationed lunch box. That's why in plants where high production records are being set, wise management has provided adequate feeding facilities for workers.

Pick engineers have planned and installed food service equipment in plants of every size all over the nation. They can help you with your lunch-time problem whatever your budget may be.

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went into military service, or one set up for war production which will no longer exist after the war. Where two or three persons in succession have gone into military service after holding the same job, only the first holder of the post is entitled by law to be re-employed."

• Guide to Employers—This definition, though subject to change by the courts, will shatter the illusions of men who shifted from nonessential to essential work at the urgent suggestion of the War Manpower Commission and then were drafted, but it will serve as a guide to employers who are beset now with the problem of what to do about returning service men.

The 414 plants covered in the Associated Industries survey have hired 2,396 discharged veterans, 1,234 of them in the plants they left to join the service. These companies reported 474 instances in which discharged veterans applied for work but were not hired.

Drivers Cut Hours

Protest against adverse decision of NWLB piles freight on Michigan truck docks. Work schedules shaved to 40 hours.

Thousands of tons of intercity truck freight backed up in Michigan cities outside of Detroit this month. The pileup was the backwash of a work reduction program organized by delivery and pickup drivers of the transport companies late in March.

The in-city truckmen employed by about 100 companies cut down their hours in protest against a National War Labor Board decision which failed to meet their demands. Getting 80¢ an hour, they sought a pay raise and overtime after 40 hours.

• No History of Overtime—NWLB turned down the raise demand and ordered overtime pay only after 54 hours of work. The unusual 54-hour standard was decided on the basis that overtime never before had been allowed in the industry and that too rapid transition would be detrimental to the wage stabilization policy.

The 1,400 workers involved, members of the A.F.L. Teamsters Union, retaliated by cutting down their hours to the base periods in effect in their respective cities—40 hours at most points, 48 at some. At the end of that much time, they simply went home.

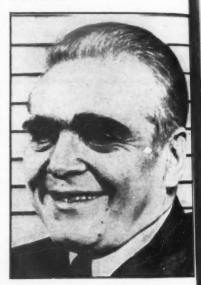
• Pickups Halted—Inasmuch as previous work had been on schedules running from 54 to 100 hours a week due to shortage of help, these lower schedules quickly affected tonnage. Freight ac-

cumulations on most docks mounted points where no more could be hand and trucking companies them stoppicking up further shipments. Definition, too, were slowed. Some concern compromised by agreeing to pick up a load lots, but refusing broken lots.

With receipts and outgoing in ments in outstate centers piling up, a tercity shipments necessarily began slow down, reducing the working hos of about 1,400 more men. The interior drivers, however, refrained to taking direct part in the work reducing program in in the work reducing program in a smuch as the dispute NWLB decision gave them a satisfactory settlement—87¢ an hour rath than 80¢, without overtime.

• Rumblings of Support—In Detroit there were rumblings of support for the outstaters. Detroit drivers have a capending before NWLB, in which the seek higher pay rates and a 40 hours base for overtime.

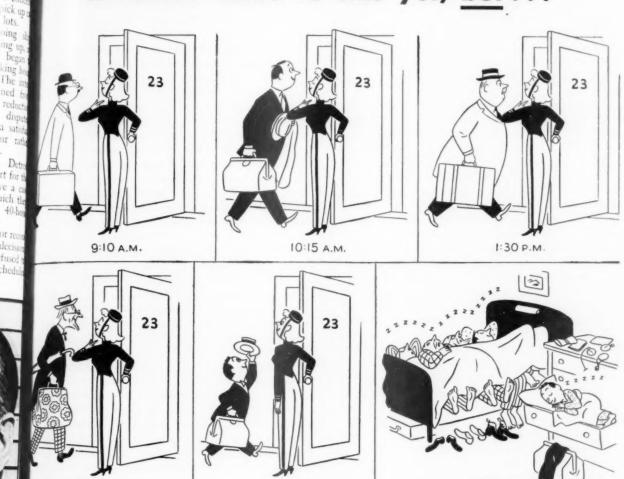
In response to union appeal for reconsideration of the unfavorable decision NWLB stood its ground and refused hear the appeal until full work schedule are restored.



IN CASE OF CHANGE

An escape clause to permit new wage scale discussions in event of a change in government wage policies is included in contracts of the International Ladies Garment Workers Union approved recently by New York's \$500,000,000 dress industry. It's a substitute for 10% wage increases over Little Steel formula limits asked by Julius Hochman (above), general manager of the union's New York dress joint board, when contract negotiations started last December.

It hasn't come to this yet, but...



No, it hasn't quite come to this at the Hotel Pennsylvania.

2:48 P.M.

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But occasionally these days, we do run into situations that are hard to get around. For example, it's difficult to accommodate guests who neglect to reserve rooms well in advance.

So far, we've been able to take care of practically



every one—with your help. And there will be a minimum of disappointments if you'll continue to...



4:45 P.M

Make reservations as early as possible. Inform us of your hour of arrival and day of departure.

11:30 P.M

Cancel unwanted rooms promptly.

All the Hotel Pennsylvania people who serve you appreciate your co-operation and patience. Although certain inconveniences are unavoidable in wartime, the really important Hotel Pennsylvania services will be maintained—

the comfortable rooms with their famous beds...delicious meals, just as fine as skillful chefs can devise under food rationing...restful relaxation, needed even in wartime.

YOUR DOLLARS ARE URGENTLY NEEDED FOR U. S. WAR BONDS

Disposal of Government War Plants and Equipment

In the last four years, the Federal Government has spent over fifteen billion dollars on war plants – twoand-one-half times as much as was spent by private investors.

Of this fifteen-billion-dollar government investment, about one-third has gone into facilities for the manufacture of aircraft and for ship construction and repair; another third has gone into plants for production of combat ordnance; and the remaining third has gone into a variety of facilities for making synthetic rubber, metal products, machinery, and miscellaneous equipment.

Most of these plants are in industries that are expanded far beyond peacetime requirements. Furthermore, their convertibility to other civilian uses will, in many cases, be complicated by their specialized equipment and layout, by their tremendous size, and by their uneconomic location. At the moment, it looks as if roughly one-third of the government-owned plants and equipment can be converted fairly readily to peacetime operation, and will, therefore, be easily disposable to private enterprise.

The discovery of unsuspected uses for war plants and equipment may well raise the disposable proportion to one-half or more. The government, at the end of the war, may own about one-eighth of the commercially-usable industrial capacity of the country. It will be by far the largest owner of machine tools; it will own enormous aluminum capacity, magnesium capacity, many miles of pipe lines, and more ships than the entire private shipping industry.

What the government does with its war plants will have a profound effect on the free enterprise system and on all workers, employers, investors, and consumers who have a part in that system. If this problem is handled badly, we may find ourselves enmeshed in a trend toward monopoly and government operation of industry. If the problem is handled well, we shall have taken a big step toward freedom of action in a competitive society, toward full opportunities for business enterprise, toward well-paid productive jobs for workers, and toward a higher standard of living for us all.

Recently, three important events have signalled encouragement. They are the report of Senator George's Committee, the Baruch report, and the report of Senator Truman's Committee. These reports are noteworthy for their competent sizing up of a complex problem, for their recognition of the major responsibility of government in making a successful transition to peace, for their insistence on wise policy and good administration, and for their genuine concern that our productive powers be given full opportunity in a free private enterprise system. These reports agree on basic principles and many specific lines of action. There are, however,

important areas of policy formation, organization, a procedure—especially in regard to plant disposal—win remain to be blue-printed.

In formulating the policies and practices to be lowed in dealing with government war plants, major goal must, of course, be a high level of prodution and employment in private business after the w

Government operation in competition with pine employers and privately-employed workers will not desirable because it will make investment unattract to private capital and will limit opportunities for private employment. On the other hand, sales to private buy which result in increasing the concentration of industrial also be undesirable. We must use this opportunit to strengthen the competitive enterprise system and move away from, not toward, the concentration economic power in either public or private agencies

To accomplish these objectives, a program of acts such as follows will be necessary:

1. An adequate reconversion organization will needed in the government, but its powers and respon sibilities should carefully be defined by Congre Fortunately, an able Administrator of Surplus Wa Property already has been appointed. It will be essen tial for him to work in closest cooperation with Con gress and with the Armed Forces and other executive agencies. The Office of War Mobilization, and ult mately the President, must be responsible for seein that the Surplus War Property Administration is no sidetracked by the operating agencies and is not domi nated by their sheer size. Funds must be supplied gen erously to the Surplus War Property Administrator, s that he can set up an organization adequate to cope with this huge and complex job. Business, too, must be generous in loaning top-flight executives for postwa government service.

2. One of the first acts of the Surplus War Property Administration will have to be to assemble a complete inventory of government war plants and equipment, to make possible the planning and control of the disposal process, and to form the basis of catalogues of property available for sale.

3. Cooperation between the executive and legislative branches of the government will be needed to develop at least tentative plans with respect to matters of public policy which are of special importance to a successful transition to peace. Among these matters are the size of the military establishment to be maintained in time of peace, the stand-by facilities and reserves of material necessary for our security in case of future war, and our policy regarding import and production of synthetic ubber and other critical and strategic materials.

4. The Surplus War Property Administrator should

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men onal directives, specification of those plants which are eded to supply our peacetime Army and Navy and to ovide the essential reserve capacity in case of war. 5. The Surplus War Property Administrator should lect certain war plants as depots in which to store the sal-who age surpluses of inventories and equipment which Il have to be removed from private and governmentto be; wined factories in order to make possible their con-lants, resion to civilian use.

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of prod 6. Those plants which are not desired by the Army r the w the Navy, which are not needed for storage, and which early will be unsuitable for peacetime utilization should th priva ill not e scheduled for dismantling and disposal piecemeal.
7. The two or three billion dollars' worth of govern-7. The two or three billion dollars' worth of government facilities intermingled with private plant should the burn eceive attention with a view to early sale, temporary ontinuance or use under lease, or early removal.

8. The various plants and pieces of equipment available for sale to private business should be classified atton to onveniently, catalogued, and advertised to prospective agreement avers or lessors. Before the Surplus War Property Adversery and advertised to prospective

agence buyers or lessors. Before the Surplus War Property Ad-of acta ministrator offers, for private sale, plants and equipment ot desired by the Army or the Navy, he should ascerwill be aim whether the plants or equipment are desired by respondither branches of the government or by public corpoations such as the T.V.A.

9. Whenever property can be sold at prices approxe esser mating depreciated reproduction cost, that will be by h Con ar the best solution. Generous time-payment terms ecuting should be offered. In many cases the government may dult be unable to sell the property for reproduction cost less seeing depreciation, for the simple reason that no one would is not think of reproducing it. The property may already be domi partly obsolete or, because of its size, location, or other characteristics, may only be moderately well suited for commercial use. This should not prevent the government from selling it, provided a price which fairly represents the worth of the property can be obtained. The best test of that worth is the price produced by active bidding under favorable market conditions.

10. When property cannot be sold at a fair price, temporary leases with options to buy should be employed to get the facilities into productive use. This should not, however, be done on terms which would cause unfair competition or create clearly excessive capacity in an industry. And the lease must be temporary; it must not be the means to prolong govern-

ment control or ownership.

11. The government should offer the strongest possible resistance to local groups or industry groups seeking subsidies for continued operation of war properties. Subsidies will burden the Treasury and lead to inefficient use of resources. They will be justified only to maintain facilities needed for national security.

12. The plants and equipment offered for sale and lease should include sufficient quantities in small enough lots to satisfy the demands from small business. The war has tended to concentrate production in larger plants. After the war, we should seek a wider distribution of

the government war facilities.

13. Insofar as possible, war buildings and equipment should be offered for sale in units which can be purchased by businesses in peacetime industries. Many of these industries have had to get along during the war without adequate replacement and expansion, and will be ready to buy if they are able to get what they want from the government. This is a particularly desirable market for surplus government property since these industries are, for the most part, not faced with the problems of excess capacity.

14. Property, such as machinery and other movable equipment, which is in excess of our domestic requirements or is more urgently needed by other countries, should be exported. We shall need, and can take, large

supplies of raw materials in return.

15. Property which is not needed by the Armed Forces, which cannot be sold or leased on terms which would be fair to competing plants, which cannot be dismantled and distributed piecemeal, and which cannot be sold abroad, should be scrapped as soon as its non-disposability is apparent. The disposal of war plants should be completed within three to five years.

16. All negotiations for sale or disposal should be matters of open public record. As Mr. Baruch has said, the process must be conducted in a goldfish bowl. This is as much for the protection of business as for the

protection of the government.

These courses of action do not include everything that must be done, but they do indicate the general lines along which our surplus war plant disposal must proceed if it is to avoid precipitating needless transition

unemployment.

The gravest danger of all will be red tape, intergovernmental conflict, and inadequate administration. It would be a great misfortune for the executive and legislative branches to quarrel over details of organization when they agree on the basic principles to be followed in handling the problem. Obviously, the Surplus War Property Administration must cooperate with Congress and look to it for policy guidance. Just as obviously, the disposal problem will involve great difficulties of administration which must not be complicated by congressional interference. We shall need the best we can get in careful policy making, detailed planning, good organization, and courageous action. This is a matter of vital importance to every American. The stakes are too high to tolerate poor administration or petty politics.

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President, McGraw-Hill Publishing Company, Inc.



AS THE WAR SPIGOT SHUTS OFF

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In fact, it seems certain that "as the war spigot shuts off" more companies than ever before will use such readily adaptable services as ours... rather than less flexible forms of financing which might restrict management or prove burdensome later.

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Double Draft

That's what copper mine face as both civilian and soldie workers are swept away. Fearo shutdowns grips mining country PA

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Output of copper ore has been he at reasonably adequate levels because the manpower transfusion of furlough soldiers into the western mines (BW, Aug. 7'43, p64).

• The Choice—Never once since war outbreak have the big red metal day gings had all the men they could use Twice, special Army demobilization have prevented tonnage figures from sinking below the danger point. Not again the choice must be made between enough soldiers and enough copper.

This latest of what has been a sense

of recurring labor crises in copper mi ing has been precipitated by new dra quotas assigned to mountain state Selec tive Service boards, and the virtual ord eliminating occupational deferments for first the 18-to-22 age group, then the 22-to-26-year-olds (BW-Apr.1'44,p1") Loss Is Heavy—In drafting young me out of the copper mines, local board could not very well ignore furloughed soldiers of the same ages who worked beside them. A policy so inconsistent would have hurt morale and poison working relationships that are vitally important in a below-ground workplace, Consequently soldiers and civilians alike were hustled off to the Army, creating a double drain on copper's manpowe which, because of the nature of the jobs

tends to be on the youngish side.

The loss was even greater than the figures (confidential) would indicate because most of the soldiers have developed into pretty good miners by now.

Last week, it's understood in the West, WPB gave War Manpower Commission and Selective Service a list of 48 mines—all copper except one—which were to be protected at all costs. But it's also understood this classification has not been made finally effective, and that nonferrous operators other than those in copper are howling.

• Shutdowns Feared—It's easy to see why. Lead and zine mines, for instance, might even join the gold mines in idleness if their workers were swept up for transfer to the "protected" mines. The transfer might include some 400 of the older furloughed soldiers—the younger are mostly gone—who are still working in the noncopper mines of Colorado, Montana, Utah, and New Mexico.

Over the West as a whole, the copper mines are several thousand men short of full working forces.





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REMOVED A BOTTLENECK AND STOPPED REJECTIONS

One of the country's leading producers of .50 calibre steel cores had a serious problem. Their prime contractor had rejected 800,000 for dimensional inaccuracies. Production was 3½ million cores ahead of the inspection department. Then they installed two Electric Eye Automatic Inspection Units.

Within one month's time, the inspection department bottleneck was entirely eliminated . . . inspection was ahead of production. During that time not a single lot was rejected by the prime contractor and since then (please note this) he has discontinued making a second dimensional inspection, relying entirely upon the sub-contractor's Electric Eye inspection.

That's just one example of the way Electric Eye Automatic Inspection Equipment is speeding war production . . . slashing inspection time and costs . . . gaging to tolerances of plus or minus .0001 in micro-seconds. And it can be equally valuable in meeting your peacetime inspection problems. Information is now available, as you plan your future.

AUTOMATIC Precision INSPECTION AND ELECTRONIC CONTROL

The services of our engineers are now available for the designing and developing of special electronic controls of all types for your future equipment requirements.





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Courts are examining son of the measures designed limit union organizers. Supren Court to hear Thomas case.

Coming up for court review as are two state laws and one municy ordinance which restrict labor unit by stipulating that business agents organizers shall be licensed or retered.

• Review Promised—The most drama case is that deliberately precipital last fall by R. J. Thomas, president C.I.O.'s United Auto Workers, whe addressed a union membership at at Pelly, Tex., without first complimate the state law that he register, a union organizer (BW—Oct.2'43.p94 The U.S. Supreme Court has agree to review this case (BW—Apr.1'44.p94 to review the review this case

In Florida, the Eppinger & Ruse Co. of Jacksonville has refused to be gain with Anne Mathews, a designate business agent of the Florida Citrus Allied Workers Union (C.I.O.), be cause she does not hold a license a required by a 1943 state law. An element of the National Labor Relations Board, before which the case it pending, has recommended that the employer be ordered to bargain with Miss Mathews. If the company does not comply, it is expected that the case will be carried to the courts.

• City License Required—In California, an appeals court has found a favor of the right of a municipality to prevent salaried business agents of laborunions from soliciting membership without obtaining a city license.

James Porterfield, business agent for the Construction & General Laborer Union (A.F.L.) in Redding, Califarefused to pay a \$25 police court fine for violating a city ordinance requiring licensing of union organizers. Portefield is expected to carry the case to the state Supreme Court.

UNIONS, SHIPS, POLITICS

Politics got the upper hand of a recent Pacific Coast caucus of C.I.O.'s International Longshoremen's & Warehousemen's Union in Portland, Ore. How to get more ships for the city's port was ostensibly the purpose of the meeting.

Following an impassioned speech by Harry Bridges, union president, the caucus urged public support in a campaign for more ships for Portland. It was a resolution—nothing more.

Then the 70 delegates from 28 locals

Business Week . April 8, 1944

unched into a two-day political conention. Bridges, who advocated elecion of Wendell Willkie in 1940, reged a fourth term for President Rooseelt. Any other candidate's election ould be disastrous, said Bridges.

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To help Bridges re-elect Roosevelt, the caucus voted to ask each local to issess \$1 a member for the political ection committee. This committee is to be comprised of the executive board which Bridges controls.

Idle Portland longshoremen are still boking for ships to load.

RAY'S GIFT BACKFIRES

Tommy Ray, who built that fabulous marble palace for his A.F.L. Boiler-makers local at Portland, Ore., and was deposed as czar of the union by a court injunction (BW-Feb.12'44,p98), is in hot water again.

For months he battled dissident factions within his local and the high command of the Boilermakers international union in Kansas City. He was in court more than he was in his office.

Last November, a judge granted the international an injunction, booting Ray out of a job he held 13 years. The night before he left office, a governing committee of the local voted him a \$10,000 gratuity. The committee said it was for extra services.

Last week the local's new officers went into court, demanding that Ray return the \$10,000, with 6% interest from Nov. 18, 1943.

C.I.O. WINS ELECTION

Union control of synthetic rubber industry employees has been the goal of both C.I.O. and A.F.L. campaigns in the Gulf Coast area.

C.I.O. is cheered by the results of an election last week at the B. F. Goodrich Co. rubber plant at Port Neches, Tex. Involving 500 operators, laborers, and noncraft workers, C.I.O.'s Oil Workers International won the bargaining rights 293 to 9, as against no union. Another separate election at this plant gave bargaining rights for painters, electricians, carpenters, machinists, and pipefitters to these A.F.L. craft unions over the Oil Workers International.

A LIFT FROM THE NORTH

Newfoundland is to be another source of labor for the United States. Under an agreement signed last week by the War Food Administration and Newfoundland authorities, some 1,500 workers will be brought to the northeastern states for agricultural employment, primarily on dairy farms. The first contingent is due this month.

The World's New Industrial Frontier is the Pacific Northwest

Power unlimited . . . abundant skilled labor . . . accelerated expansion of industries . . . strategic location on the Pacific Rim . . . all add up to a great industrial and commercial future for this region.

Serving the financial needs of this realm is the Seattle-First National Bank . . . "the largest of many excellent banks in the Northwest," with resources of more than \$500,000,000.

Inquiries are invited about any section of the State of Washington or concerning banking connections or financial service.

34 strategically located Banking Offices in the State of Washington

Member Federal Reserve System



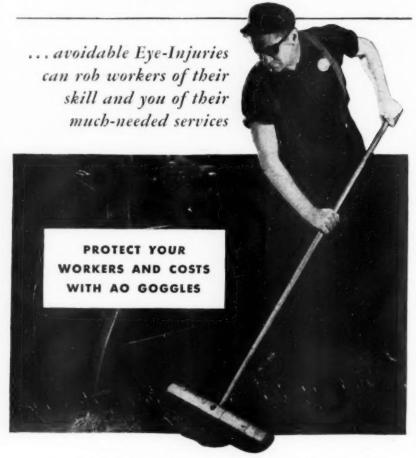
Member Federal Deposit Insurance Corp.

SEATTLE-FIRST NATIONAL BANK

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He had no peer as a Tool Maker

UNTIL HE LOST AN EYE



Are the highly skilled men in your plant wearing goggles? The price of the finest pair of AO Goggles is trifling compared with the loss — even for half a day — of the services of one of your skilled men.

An adequate eye protection program that provides AO Goggles for every man and woman who works on or near an eye hazardous job will pay for itself in a few months. AO Goggles are designed to give maximum protection and workers find them comfortable to wear. Ask your Safety Director to get in touch with the American Optical Company's branch office nearest you.



SOUTHBRIDGE, MASSACHUSETTS

FINANCE

THE MARKETS-PAGE 118

Chicago Specials

Regional stock exchange gets SEC permission to handle offerings under same conditions as New York's Big Board.

The Chicago Stock Exchange in week obtained permission from the securities & Exchange Commussion; handle special offerings. Security listed on the New York Curb of B. Board will be handled at Chicago in der terms and commissions identate with those authorized for the New York exchanges.

• Rates May Be Higher—Scennes listed on the Chicago exchange but not on New York may, however, be a offerings as small as \$10,000 marked value. The commission rates may be higher: \$1 per share priced \$25 or less \$1.50 per share up to \$50, and \$50 above \$50.

Only the two New York exchange and the San Francisco exchange has actually had special offerings. The Philadelphia, Boston, and Detroit exchanges are likewise authorized, but as yet have handled none. The Chicago exchange has already had several proposals but is holding back until a really big one comes along.

• Follows Same Curves—Largest of the regional markets, the Chicago Stock Exchange traded 9,500,000 shares in 1943, representing commissions of \$1.400,000. This business amounts to only about 2% as much as New Yorks Big Board in dollar value, about 21% in number of shares. Price index and volume of business at Chicago fluctuate in curves almost identical with the New York charts.

Of firms represented on the Chicago floor, 60 have Chicago offices and 33 are exclusively out-of-town. Several big LaSalle Street names which are corporations rather than partnerships are members of the Chicago board although they are not eligible to the New York Stock Exchange.

• Buying Seats—At the peak, following a seat dividend in 1930, Chicago had 470 members, but the board has been buying seats and canceling them until today the roster is 295, with five seats held in the exchange's treasury. Top price of a seat before the dividend was \$110,000, after the dividend \$50,000 (in 1930). Low was \$300 in December,



Speedier, more efficient than their predecessors, the famous Liberties, the new VICTORY Ships are coming down the ways.

Incorporated in their design and construction is the knowledge gained from the building of the greatest cargo and Naval fleet the world has ever known.

As a result, they meet the requirements of the Armed Forces for fast ships to deliver troops and supplies to every theater of the war, and are destined to become the backbone of our peacetime Merchant fleet.

The list of their names reads like a roll call of the Allied Nations: United Victory,

the first to be completed, was launched after only 55 days on the building ways and was followed by the Czechoslovakia Victory, China Victory and the Poland Victory. The first four ships* were all delivered well ahead of schedule.

Deep in their hulls, and in many of those to follow, are powerful Combustion Engineering Boilers, giving them the speed and reliability so vitally needed to make them truly the ships of Victory.

*United Victory, Czechoslovakia Victory and Poland Victory — built by Oregon Shipbuilding Corporation, Portland, Oregon. China Victory — built by California Shipbuilding Corporation, Wilmington, California. A-788



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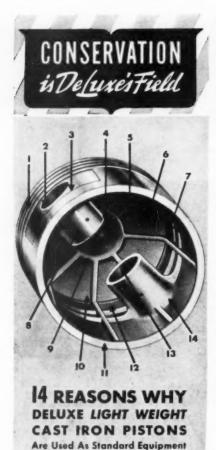
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COMBUSTION EMGINEERING

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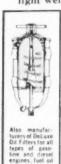


Because of the 14 Superior Performance Features, DeLuxe pistons have been adopted as standard equipment by nearly 50 bus, truck tractor and engine manufacturers. Also thousands of fleet owners have standardized on DeLuxe for piston replacements.

In keeping with today's need for conservation, DeLuxe patented, light weight, cast iron pistons have

longer life, increase gas mileage, reduce oil usage, prevent oil pumping and assure a cool running motor.

If you are an engine user or manufacturer, we may be able to help you on your problems. Write us without obligation. DeLuxe Products Corp., 1425 Lake Street, LaPorte, Ind.





1942. Higest price since then was \$2,500.

The Board of Trade of Chicago has a securities department, but in a typical day its volume is under 1,000 shares and on many days it trades none. The Chicago Curb Exchange, never too robust, turned up its toes during the big depression.

• Aim of Independence—Major ambition of spark plugs of the Chicago Stock Exchange is to develop their market independently of New York. Strongest argument for existence of the regional exchanges is their ability to provide services geared to local needs. Their forte is maintaining brisk markets for relatively small local corporations which are regional rather than national in scope.

All shares listed at Chicago have a strong local or at least middle western flavor. Those dually listed on Chicago as well as New York account for about half of the Chicago exchange's trading. • A Sales Argument-Effective sales point of the Chicago exchange is the saving of the amount of the New York transfer tax. Another advantage claimed by Chicago for local customers is immediate reporting, quicker deliveries, and reduction of the incidental expenses in completion of the contract. The customer may either designate a 50share lot to be handled as a round lot on the Chicago market or else may specify that the dealer act in the same manner and give the same execution based on the same Big Board transaction as would govern the execution by a New York odd lot dealer.

Couch to Retire

K.C.S. chairman gives up fight as home-town group gets control of railway. Opposition to his management is aired.

Announcement that Charles P. Couch soon will quit as chairman of the Kansas City Southern Ry, and with his followers has the right to name only three of the 18 directors to be elected May 9 confirms reports that Kansas City and along-the-line interests would have a relatively easy time securing voting control of the road (BW-Mar.18'44,p20).

• Bitter Fight—But, almost up to the time that the Couch interests threw in the sponge, there were a number of developments indicating a bitter fight between the two groups. For one thing, it soon became evident that this was not merely another instance of Main Street interests trying to wrest



BOND BURNER

With North Carolina's general delication overbalanced for the first time is quick assets, Gov. Joseph M. Brough ton celebrates the accomplishment in shoveling \$25,000,000 of liquidated bonds and coupons into a Raleigh furnace. Taking advantage of was prosperity, the state has paid off \$7,500,000 a year on its debt since 1941, thus reducing its general net debt (not including highway bonds) to \$52,768,524. And by the end of the fiscal year, a record surplus of \$55,000,000 is expected, \$20,106,000 to go into a postwar bond fund.

resea

control of a home-town enterprise from Wall Street.

No secret was made of the fact that the actual reason behind the recent substantial open market purchases of K.C.S. common shares by interest headed by R. Crosby Kemper (a director) and Grant Stauffer, Kansas City business men, was to make that group strong enough to insure the ousting of Couch from any official participation in management of the property.

• Support on Board—The anti-Couch interests had considerable "official" support, for some of the influential directors had been evidencing dissatisfaction with the Couch management.

In any event, through open market purchases, Kemper, Stauffer, and their associates finally ran up their aggregate holdings of K.C.S. voting stock to a reputed 240,000-share level and, as a result, controlled about 47% of the total common stock outstanding.

• Dutch Interests—To solidify their position, this group is said to have reached an understanding recently with



Glass finer than a human hair . . .



... and as pliant as sewing thread ...



... and glass that will not burn.

OUT OF AN AGE OF RESEARCH . . .

A Fascinating Kind of Glass

DORN IN 1931, speeded to maturity by research, Fiberglas* has made glass to a new and exciting basic material

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of many varied uses.

Fiberglas is pure glass—but not glass as you have been accustomed to think of it-not solid like a bottle or window pane. Instead, glass in fibers finer than human hair-yet stronger than steel.

New World for Glass

Think of glass in threads so fine and pliant that it can be woven into satiny fabrics! Or fluffed-up glass that insulates against heat and cold! Or glass felted and compressed into a board-like material, with many building and industrial uses.

Its variety of forms makes it possible to use glass in a thousand places

where it has never been used before. Fiberglas does many jobs well, as do other materials—but also adds properties that only glass possesses.

Fiberglas, being glass, can't burn, or rot, or mildew. It's

waterproof. Its fibers can't absorb moisture, It's moth- and termite-proof, Vermin won't eat it. It's acid-resistant and a non-conductor of electricity. And it adds this exclusive combination of qualities to every job it does.

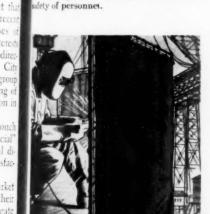
Add Them Up

This is why Fiberglas is being used in 117 forms by dozens of industries-both for war and home-front purposes.

Illustrated are some of its uses in fabric form. For a brief explanation of its many other uses, write for free booklet, "Fiberglas, A New Basic Material."

Owens-Corning Fiberglas Corporation, Toledo 1, Ohio. In Canada, Fiberglas Canada, Ltd., Oshawa, Ontario.





Firesufe Fiberglas curtains replace many doors

n warships . . . reduce hazards caused by

fre and explosions in battle . . . add to the

Welding-booth curtains in factories confine sparks, injurious light rays. Fiberglas welding curtains add firesafety-are long-lived.



The play goes on - in safety - when the stage curtains, drapes, and scenery are made of Fiberglas textiles . . . they are fireproof because they are glass.



Postwar possibility-awnings of Fiberglasawnings that will not burn . . . awnings that won't mildew or rot.



Cleaning floors at the rate of 150,000 sq. ft. per hour seems incredible. And yet that, approximately, is the total hourly cleaning capacity of this fleet of ten No. 215-G Self-Powered Finnells, recently shipped to one of the nation's huge war plants. Therein lies the solution to the plant's problem in connection with vast-area scrubbing in the face of today's labor shortage.

In one powerful operation, the No. 215-G Finnell scrubs and dries the floor... speeding along open floorways at the rate of 15,000 sq. ft. an hour, working in and out of smaller spaces and making necessary detours with the mobility of a jeep. Independence from power lines gives the machine full freedom of range. Mounts a one-cylinder, four-cycle motor, air-cooled, and is equipped with forceful 'V' type squeegee and vacuum pickup. Heavy duty construction throughout.

For free floor survey, consultation, or literature, phone or write nearest *Finnell* branch or Finnell System, Inc., 3804 East Street, Elkhart, Indiana. Canadian Office: Ottawa, Ontario.

Let's Keep On Backing the Attack - With War Bonds

FINNELL SYSTEM, INC.

Pioneers and Specialists in FLOOR-MAINTENANCE EQUIPMENT AND SUPPLIES

BRANCHES IN ALL PRINCIPAL CITIES important Dutch interests (which helped finance the road's original a struction) that the latter's 100,000 his of common shares would remain stee neutral in the event of any many base with Couch.

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While all this was going on, Conwasn't idle either; he is said to have be quite industrious in picking up ad tional stock to add to his holdings.

Senators Speak Up—But more a portantly, according to charges map public late last week by Senators Co. M. Reed of Kansas and Bennett of Clark of Missouri, Secretary of Commerce Jesse Jones (once a close as ciate of Couch's late brother, Hance the powerful utility and radioad manate) also started doing his bit to a the Couch management.

The senators claim that Jones' Reconstruction Finance Corp. (a \$400.00 creditor of the Louisiana & Arkansa, K.C.S. subsidiary) sent a representate to the Netherlands embassy in Washington, which now holds voting right of the Dutch stock, to advise that in RFC didn't want to see the Continuangement disturbed.

The senators also charge that he RFC man told the Dutch that he Interstate Commerce Commission has similar feelings.

• Charge Denied—This latter statement according to Reed, was entirely with out foundation of fact, but the RFC visit is said to have made the embass at the time quite uneasy about its position in carrying out its earlier agreement with the Kemper-Stauffer interest.

Because of this development, Wal Street expected that fireworks might be set off since the senators indicated the were considering asking Congress to a vestigate the incident.

• Interest of Harmony—Whether the latter episode actually had any effect on the Couch interests is a matter of conjecture.

Instead, in his official statement announcing the impending change, Couch said that he was withdrawing in the interests of harmony since "the large amount of money this new ground has invested in the stock of the road convinces us that it is sincere in the announced intention of removing control to the road to Kansas City."

• To Be an Adviser—Couch will be retained by the system in an unofficial advisory capacity. Proposed new directors, who now own some 68,000 share of common stock, include John D. Ewing, owner of the Shreveport (La Times; Joseph R. Brown, Ft. Smith (Ark.) attorney; S. E. Gilinsky, Omahaproduce merchant; J. J. Lynn, Kansas City investment securities dealer: R. T. Moore, Shreveport lumberman; and Stauffer, a coal merchant.

Business Week . April 8, 1944

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State begins retirement of cient bonded debt arising from ading the credit of the state private enterprises.

Although probably only a few insiders alized it, the recent occasion of a 50,000 payment by the State of Alama on account of bond principal was nitled to something more than passing

The transaction wasn't merely roune. It marked the inauguration of a ogram, recently adopted, under which e state should be able by 1956 comtely to retire its oldest financial oblitions, some of them dating back to

Early Problems—One of the financial oblems that Alabama had to cope it after it assumed statehood in 1819 meened the question of how to incase the amount of money it had in culation in order to meet the needs to arraying population.

a growing population.
To meet the problem, Alabama emrked upon a program which included to organization of a system of state mks. To finance the banks, the state lid public lands, and a \$10,000,000 to new banks (which made loans only ainst security, mainly cotton) relieved to circulation shortage by becoming an expeted medium of exchange in the

A Panic Hits—For a time all went ell. Indeed, visualizing good future come from the state's investment in le banks, the Alabama legislature in 36 actually went so far as to abolish I taxation for state purposes.

But this Utopian project soon colpsed. The financial panic of 1837 iped out a large proportion of the anks' assets, and careless management uring and immediately after the panic most wiped out the remainder. In \$43 the state was forced to arrange for the liquidation of the state banks, and sumed the liabilities still remaining fer all assets had been sold.

The Railroad Scandal—Following the ank episode, Alabama's funded debt acreased substantially for the next few cades, when in the period immediately illowing the Civil War, legislative corption and extravagance led, among ther things, to the issuance of \$9,000,00 in state-indorsed railway bonds. In the instances, bonds were issued at the set of \$16,000 a mile of track.

In an effort to straighten out the tess, a commission was appointed in the 1870's. The commission examined



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Here is one postwar dream already come true—the Edison Electronic VOICEWRITER, now becoming available for business use!

This electronic "secretary in a microphone" does more than take your dictation, speed your ideas into action, save precious executive and secretarial hours. It also records speeches, interviews, conferences, telephone conversations—to prevent mistakes and misunderstandings.

If you are using Ediphone in your

business now, we need only say that the Edison Electronic VOICEWRITER is Ediphone carried to its ultimate development.

If the whole idea of Voice Writing, with its time saving and better time management, is still untried with you, then you will get an entirely new conception of business practice with your first use of the Edison Electronic Voicewriter.

Let an Ediphone representative tell you more about this practical application of electronics to every day business. Invite him in now—by mailing the handy coupon below.

*Based on the "Edison effect" discovered by Thomas A. Edison in 1883 and perfected by wartime research.

VOICEWRITER Ediphone

THOMAS A. EDISON, INC., Dept. C4, W. Orange, N. J. I would like to know more about the new Edison Electronic VOICEWRITER and how it can save time and streamline business operation.

"Out of the mind into the mike"



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PORTER-CABLE WET-BELT SURFACING



shows you how this modern machining method is affecting the competitive cost nicture.

WET-BELT SURFACING . . .

- is amazingly fast—5 to 25 times faster than previous methods on most operations.
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- enables inexperienced workers to get increased production with superior finish.
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- works equally well on hard and soft metals, stainless steel, plastics, ceramics, glass.



Because of the great demund for our new booklet, at present it can be sent only to those who turnish us their title and company name. Tear out this advertisement, clip to your letter-head, and mail today.

PORTER-CABLE Machine Co.

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the state's financial position, and reported that only about \$25,000,000 of the indebtedness was "legitimate."

• Debt Cut Back—But with its economic situation in poor condition, as the result of mismanagement and the impact of the Civil War, Alabama couldn't bear even the reduced load, and creditors had to agree to a further over-all scaling down of the debt to \$15,000,000. Profiting from the hard-learned lessons, Alabama, in 1875, adopted a new constitution in which the state was forbidden ever again to lend its credit to private enterprise.

It was the remnants of indebtedness thus acquired that Alabama began to pay off recently with the \$650,000 retirement of principal, after years of

inaction.

PLAN BANK FOR NEGROES

Opening of a bank within the next year or two to serve Detroit's Negro population is sought by a group of De-

troit Negro business men.

The group is building gradually toward its objective, first chartering and opening a small loan company, the Victory Loan & Investment Co. This firm, operated by the Booker T. Washington Trade Assn., has paid-in capital of \$25,000. Capital is being gradually increased to make possible an entry into the mortgage business, and further increases are planned eventually to qualify for bank operations.

The group believes that with a Negro population of about 175,000—up 25,000 or so over prewar levels—a good field exists in Detroit for a financial institution specializing in issuing mortgages and

loans to Negroes.

The president of the Victory Loan & Investment Co. is Carlton W. Gaines, once an officer of the Penny Savings Bank of Wayeross, Ga., and a real estate broker in Detroit. Other officers include a physician, a service station owner, the chief accountant of the Great Lakes Insurance Co., and the owner of the largest dry cleaning establishment in Detroit's colored community.

BOND QUOTA SET

Because funds are still so "urgently needed" by the Treasury, which must borrow twice the amount of its tax receipts this year, Secretary of the Treasury Henry Morgenthau has announced that in the Fifth War Loan drive \$16,000,000,000 will be sought between June 12 and July 8. This goal is \$2,000,000,000 higher than the quota of the fourth loan earlier this year which was oversubscribed by \$2,730,000,000.

Nonbanking investors w upon to provide \$10,000 the new drive. Although failed by \$191,000,000 to \$55,500,000,000 quota in the last or paign, their savings and orining a again to be a primary Traury as This time they will be called upon absorb at least \$6,000,000,000 of a securities.

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The basket of new issues to conferred in June, as in the fourth day will include the usual Series I. F. and savings bonds; Series C. savings now one-year \$\% \text{certificates} of indebt ness; and 2\frac{1}{2}\% bonds due 1970 a callable in 1965 (which comment banks can't buy for ten years have except for the limited investment time deposits).

However, there will be some change in the basket, too, since the Treasur will replace the last drive's popular it year 24s with 10-year 2s and also of

3-year 11% notes.

L.C.N. SHARES CHANGED

Lehigh Coal & Navigation Co. stell holders, as expected (BW-Mar. 1848 p63), approved the management perposal to change the company's present stock from no-par to \$10-par who shares at last week's annual meeting. However, the change in the bulbout sought by an important stockholder to prevent the board of directors from continuing to enjoy an "ability to perpetuate itself" was defeated by a way of 917,463 to 587,266.

INSURANCE EXTENDED

The War Damage Corp. has estended automatically for one year all hipolicies in force on March 31, 1944, according to its chairman, Secretary of Commerce Jesse Jones. No payment or notification will be required by the policyholder to keep such insurance in force for the added period.

The corporation has collected from its beginning on July 1, 1942, through Dec. 31, 1943, premiums totaling some \$118,000,000 after payment of all expenses, which were unusually light.

It now has in the process of adjustment claims totaling less than \$73.000, excluding 300 claims arising out of the explosion of the destroyer Turner in New York harbor on Jan. 3, 1944, which are now under investigation.

A total of 546 fire and 88 casualty insurance companies have participated in WDC operations, taking an aggregate of 10% of the risks and being entified to 10% of the profits. Thus far, Jones reports, the fire companies have a maximum liability of \$20,000,000 and the casualty companies \$5,000,000.

E WAR AND BUSINESS ABROAD

NESS WEEK



A sharp divergence of opinion on basic foreign trade policies is developing within both Britain and the U. S.

While the Hull reciprocal trade pattern is still the blueprint for all of Washington's international trade negotiations to date, an increasing number of business leaders warn that it may yet prove inadequate by itself to cope with the state trade monopoly in Russia, and the probable trend in the same direction in most of Europe after the war.

Carefully noted because of its official character was the warning this week in Boston by William L. Batt, vice-chairman of the WPB:

"Whatever may be one's conviction as to the part which government should play in business at home, it seems inevitable that the development of foreign trade must lean substantially on assistance from agencies of government."

Both Washington and Ottawa will fight recent proposals by certain British industrial and financial interests to create—at least temporarily—a sterling trading bloc in the Empire and western Europe.

Purpose of this bloc, as outlined in the London Economist, would be to force exports and limit imports until Britain has recovered from the economic dislocation of the war (page 120).

Basic Canadian objection to the scheme is that it contains too many restrictions on the conversion of sterling balances into dollar exchange.

Washington has powerful weapons to counter any sterling bloc scheme.

U. S. dollar balances in Latin America exceed \$3,000,000,000. And Argentina, Britain's best customer south of the Rio Grande, now holds gold and foreign exchange reserves totaling \$1,100,000,000. This allows Buenos Aires to maneuver independently in any international monetary negotiations.

On the other hand, London, to the end of February, had piled up in India more than £700,000,000 (about \$2,800,000,000) of sterling balances. Under a sterling bloc system, New Delhi would be forced to liquidate these through purchases of goods within the bloc.

Proving, nevertheless, that London is still cooperating wholeheartedly in negotiations for economic collaboration after the war, British and U.S. experts (with Canadian representatives approving) have reached full agreement in principle on postwar international monetary policy.

The British government will release terms in a White Paper for discussion in Parliament before turning the plan over to diplomats for negotiation of a formal pact.

But don't assume that if formal agreement is reached the new monetary system will go into full gear immediately after the war. Even the experts insist on a controlled transition period.

Nations are beginning to maneuver for advantageous positions in world markets which are rapidly coming under the influence of power diplomacy.

Argentina, for example, after receiving a cool reception from Washington, is anxiously querying London over the possibility of getting a slice of the United Nations Relief & Rehabilitation Administration supply business—hoping it will lead to permanent new markets.

Netherlands shipping companies, aware that the Liberty ships they may receive on lend-lease will quickly become obsolete after the war, have asked

THE WAR AND BUSINESS ABROAD (Continued)

BUSINESS WEEK APRIL 8, 1944 the Kaiser interests to draw up plans for more economical vessels especially adapted for trade in their East Indies colonies. But no orders will be placed until it is clear where they can buy most advantageously.

The Russians, however, in a bid for U. S. technical aid (BW—Mar. 18'44, p111) received a flat refusal from American interests this week on the ground that it would merely be creating competition after the war for domestic exports of the product in question.

Don't be alarmed if you hear of a project to bring unskilled foreign labor to this country as a kind of reverse lend-lease. The proposal is too new even to have reached the stage of "official" discussions.

Such a scheme has, of course, been worked out on a small scale in the case of Mexico (and is developing with Newfoundland—page 101).

At the end of 1943, there were 17,000 Mexican agricultural laborers and 20,000 railroad workers in the U.S. The 1944 contract calls for 50,000 laborers, not including railroad workers.

The Pennsylvania Railroad is reputedly getting between 400 and 600 for its Philadelphia-Washington section alone.

Pointing to the existing farm labor shortage in this country, irrespective of further draft inroads, several economists in the Midwest are proposing that China send some of its surplus manpower to this country in order to relieve the food crisis.

The workers, according to the originators of the project, would be paid going wage rates, would enter the country on the same temporary basis as the Mexicans, and would be used only on unskilled work where the manpower shortage is most stringent or where local workers might be released for upgrading in industry.

With a population of more than 400,000,000, China could undoubtedly supply able farm laborers without reducing Chiang Kai-shek's army of several million men or cutting into China's industrial manpower supply.

An important shift in Washington's diplomatic policy in Italy may be expected.

Convinced at last that the Allies' British-led diplomatic offensive is a complete failure, Washington is quietly insisting that its own more realistic plan (abandon the King and Badoglio) be adopted.

Moscow, whose influence in Italy has been rising steadily since the Russians were admitted to the Allied advisory commission, is vigorously supporting Washington's new stand.

Outcome of the new diplomatic alliance is almost sure to be full Washington support for Russia's claim to a port on the Mediterranean.

Stalin's request for landing fields in Italy, to be used solely by the Russians in running supplies to the guerrillas in Yugoslavia, is likely to be granted.

In return, Moscow is expected to provide airfields near the German front from which Americans—cooperating with Russians—will soon commence east-west bombing of Axis Europe. Delivery of high-octane gasoline over the Iranian supply route to Russia (BW—Oct.30'43,p48) has recently reached large enough proportions to make big-scale Russia-based bombing of Germany's eastern munitions plants possible.

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ISINESS ABROAD

onomy Shifts

Latin-American republics, irtrade horizon narrowed by r have three billions waiting postwar markets.

he war has wrought many changes he Latin-American economy.

ald and exchange assets of the American republics-waiting for markets-now exceed \$3,000,-

1943, the United States ht \$1,300,000,000 of goods in America, sold only about \$800,-

arrowed Horizon-Between 1938 1943, the dollar value of trade Latin-American republics nearly

nce 1939, the hemisphere trade zon has been steadily narrowed: continental Europe and then the Fast were eliminated as sources of wand as markets for Latin-Amerigoods. In 1941, the United Kingalready experiencing shortages of ly and of shipping, virtually was ned as a seller to Latin America by lend-lease White Paper restrictions exports.

Shift of Direction-The full force of the American demand hit the United tes just when participation in the war ply reduced U.S. merchant tonnage able for hemisphere trade, and

when materials and productive capacity required for the manufacture of export commodities were being turned to all-

out war production.

The United States became, however, the chief market for Latin-American goods, and Latin America in turn assumed a primary role as a supplier of raw materials needed for U.S. war production.

U. S. Imports to Latin America:

(millions of	dollars		
1938	1941	1942	1943
South America			
(ten countries). 259	666	632	****
Rest of Latin America			
(ten countries). 193	342	345	
Total 452	1,008	977	1,300

U. S. Exports to Latin America:

(millions of dollars)

South America (ten countries).	298	520	362	
Rest of Latin Americ (ten countries).	a	382	356	
Total	481	902	718	800

· Location of Balances-Reflecting the impact of the 1942 shipping shortage, our exports to more distant South American republics fell more sharply than to Central America and the Caribbean. However, over the fiveyear period, because of our need for South America's greater natural wealth, our imports from there rose more sharply than from the rest of Latin America.

As a result, the bulk of accumulated gold and foreign exchange balanceschiefly dollars except in Argentinaare held by South American republics.

Of the \$2,697,000,000 total, calculated by the National City Bank of New York (table, page 114), more than half is held by Argentina (\$1,088,-

LATIN AMERICA I

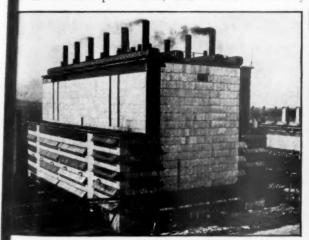
This is the first of a series of reports designed to interpret wartime developments in Latin America that will affect American postwar trade.

This first report coincides with the release, by the Dept. of Commerce, of U. S.-Latin-American wartime trade statistics. That release makes another crack in the security wall that has isolated American business from an economic world with which it must reacquaint itself before it can plan for the future.

The changes that have occurred in Latin America during the war will alter the economic relations of the United States with all of its southern neighbors. So, in forthcoming reports, Business Week will first examine with its readers the over-all trends in the Latin-American economy, and then deal separately with the present economic status and probable future economic course of each of the republics.

000,000) and Brazil (\$533,000,000). • Four Billion by 1945—Statistical gaps in the data from which this total is compiled indicate that at the close of 1943 the accumulation reached at least \$3,000,000,000.

Projecting the rate of accumulation through the first quarter of 1944 would boost the total to \$3,270,000,000 and, unless imports of Latin-American raw materials are cut back sharply (page





UTURE-INDETERMINATE

uilt to augment the supply of Canadian nickel, the \$30,000,000 plant of he Nicaro Nickel Co. in Cuba's

Oriente Province is now in full operation. Financed by the U.S., the project boasts a 16-hearth reduction unit (left) and a well-planned workers' village-but its postwar fate is clouded in

uncertainty. While the province's ore has a nickel vield nearly as high as more established deposits, it lacks rich byproducts which may prove necessary for competitive operation.

BUYING POWER GROWS

Gold, Foreign Exchange, and Trade Balances Held by Latin-American Republics (Millions of Dollars)

	End of 1939	End of 1943
Argentina	592	1,088
Brazil		533
Mexico		250
Cuba		226
Uruguay		146
Colombia		114
Venezuela	52	101
Chile	36	85
Peru		35
Bolivia		22
Salvador		21
Guatemala		201
Ecuador		19
Costa Rica		16
Dominican Rep		13
Haiti	3	8
Total	953	2,697

10), will reach \$4,000,000,000 by the end of the year.

Data: National City Bank of New York.

• Prices a Factor-Interpretation of these trade trends, however, cannot be made solely on the basis of the ups and downs of dollar values.

During the last quarter of 1943, when exports from the U. S. amounted to about \$200,000,000, the physical volume of exports was between 25% and 30% below the physical volume of the average quarterly exports in 1941 which were valued at \$225,000,000.

• Unit Costs Up—Similarly, the Dept. of Commerce reports that the high value of trade in 1942 (about 3% below 1941) resulted from an increase of about 20% in the unit cost of imports and a rise in the proportion of high-value goods entering into the trade.

• Economy Sustained—From the Latin-American viewpoint, trade with the U. S. has been a major factor in sustaining the economy during the period when the hemisphere has been virtually isolated from the world.

According to preliminary estimates (made difficult by conversion of the various currencies to dollars and tardy release of data), the total value of all Latin-American export trade rose 50% between 1938 and 1943. Over the same period, the value of all Latin-American imports declined about 10%. Wartime price rises undoubtedly inflate these dollar totals substantially—perhaps by 50%.

• The Future–Dollarwise, trade of Latin-American republics with each other nearly tripled between 1938 and 1943 and inter-American trade rose

from 8% to 18% of total hemisphere trade. Exports to the United Kingdom dropped nearly 10%, and imports from the United Kingdom fell 40%. Exports to other countries, excluding the United States, were reduced nearly one-third, and imports dropped nearly 80%.

and imports dropped nearly 80%.

The future position of individual Latin-American republics as participants in hemisphere and world trade cannot yet be fairly determined. Some industries established or expanded to increase national self-sufficiency may prove capable of competing for domestic and hemisphere markets after the war; others will have to contract or obtain protection in order to survive. The high level of strategic materials output for U. S. and British war industries will inevitably fall sharply, with consequent disturbing effects on national and hemisphere economic and political stability.

 Hemispheric Problem—None of these problems can be solved easily or with reference only to national conditions or aspirations.

The hemisphere mechanisms for consultation on economic problems, created before the war, and maintained and developed as a result of the war, will be called upon to assume greater responsibility during the transition period and to coordinate national with hemisphere economic policy and to key hemisphere policy to world economic conditions.

Brazil's Alcohol

by war, nation turns to distille for auto fuel. Expanded indus will serve peacetime needs

SAO PAULO—Before this war Bu imported about 1,200,000 tons of ling fuel a year. The cutting off of this ply meant paralyzing a greater part Brazil's 150,000 passenger autos a forcing the conversion of motor trut to the use of charcoal by install producer-gas units. Today there 15,000 producer-gas vehicles—11,000 them in São Paulo state alone.

• Alcohol Production Up—In meets the fuel shortage, Brazil pins go hopes on intensified production anhydrous (waterfree) alcohol as a stitute fuel. Output has risen progasively from 26,000 gal. in 1933 to 1500,000 gal. in 1942. Production hydrous alcohol—also used for man with gasoline—has risen in the superiod from 11,000,000 gal. to 20,000 000 gal.

Even before this war, Brazil compells the mixing of 5% alcohol in motor for Now the percentage ranges from 20 in Rio de Janeiro and São Paulo, who supplies are short, to 70% in Perus buco state on whose flat roads autom

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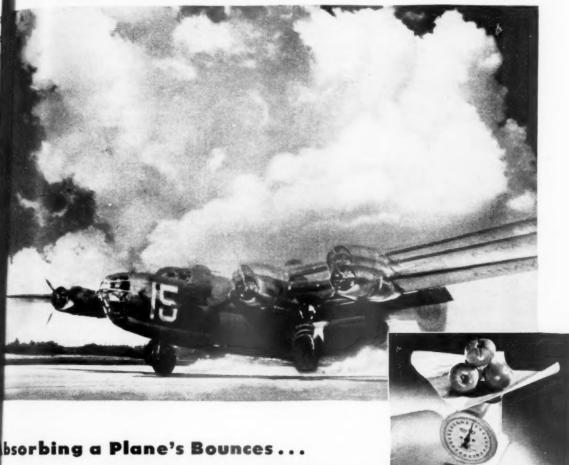
War's Impact on Trade With Latin America

(Millions of Dollars)

		U. S. Exports		U. S. Imports		
0	1938	1942	% Change	1938	1942	% Change
South America						
Argentina	86.8	71.9	-17.2	40.7	149.9	268.1
Bolivia	5.4	11.0	104.0	.9	26.0	
Brazil	62.0	105.0	68.5	97.9	165.2	68.7
Chile	24.6	41.2	67.5	28.3	139.9	394.9
Colombia	40.9	30.4	-25.6	49.4	77.9	57.6
Ecuador	3.3	8.9	169.8	2.6	8.7	237.7
Paraguay	.6	1.7	157.0	1.3	3.0	126.8
Peru	16.9	27.5	63.0	12.8	20.6	60.5
Uruguay	5.1	17.3	241.7	4.7	20.6	334.6
Venezuela	52.3	47.1	-9.9	20.0	20.2	.8
Other Latin America						
Mexico	62.0	147.7	138.1	49.0	123.9	152.8
Cuba	76.3	133.2	74.5	105.7	161.0	52.4
Costa Rica	5.4	7.2	32.4	4.1	6.0	47.3
Guatemala	6.9	9.3	36.0	9.5	15.5	62.7
Honduras	6.3	6.0	-4.7	5.7	5.3	-7.4
Nicaragua	2.8	4.4	58.4	2.5	4.6	84.5
Panama	10.2	28.1	176.1	3.4	2.8	-18.1
El Salvador	3.5	5.5	54.8	5.7	11.9	110.0
Dominican Rep	5.7	9.3	62.6	5.7	8.4	46.4
Haiti	3.6	5.2	41.5	3.0	6.1	105.0
Total	480.6	717.9	49.4	452.9	977.5	115.8
* More than 1 000ct						

* More than 1,000%. Data: U. S. Dept. of Commerce.

Making strong the things that make America strong



Guarding a Scale's Ounces

IT HEAVY BOMBER landing at breathng speed needs more than just shock orbers to cushion the jouncing, bouncstrain on the fasteners that hold its ts together. Where bolts and nuts do holding, nothing but the best can be ... the strongest metals . . . formed o fasteners by the surest, most modmethods . . . carefully finished and

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That kitchen scale's fasteners take no punishment. Here, in addition to a joint, a major consideration is the act fit between bolt and nut that permits speedy run-on . . . resulting from perfect thread formation and clean metal. For safety-insurance against vibration or shock . . . and for the accurate threading that cuts assembly time and cost-use RB&W fastening products.

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biles are even run on pure alcohol. Control over production and marketing of alcohol has been given to the Sugar & Alcohol Institute.

• Facilities Expanded-A total of \$10,-000,000 has been invested in anhydrous distilleries. Production this year is expected to reach 26,000,000 gal. (in 44 anhydrous distilleries) and an equal amount of hydrous alcohol (in 180 other distilleries)

The institute also expects to obtain large quantities of alcohol from the 47,500,000 gal. of rum produced by thousands of small sugar plants from whom the institute is authorized to requisition 75% of existing stocks and production in São Paulo, Rio and Minas states. In addition, 20 new distilleries are to be set up to make 10,-000,000 gal. of alcohol from surplus manioc

• Builds Own Distilleries-Forty-one of the anhydrous distilleries were installed by European concerns-mainly the French Barbet and the Czech Skoda

companies.

Difficulties attached to importing distilling equipment in wartime have led Brazil to establish two national concerns to produce equipment. These already have set up 16 new distilleries.

• Permanent Industry-Brazil is not engaging in a temporary emergency measure in the stimulation of alcohol out-

With very little domestic petroleum, the country cannot afford to rely entirely on imported fuel and wants a strong alcohol industry to back the contin-ued use of the substitute fuel. The annual savings on imports ought to run up to \$4,000,000. More important, the use of alcohol is a surefire method for disposing of excess sugar production, a continuing Brazilian problem in war or

• Experiments-Even with the compulsory mixture ratios now decreed, Brazil feels it has a long way to go before the saturation point is reached.

Experiments have been made with heavy trucks operating on a mixture of 98% alcohol, 0.1% castor oil, and just under 2% kerosene; also, a mixture of 70% alcohol and 30% benzol (obtained from Brazilian low-grade coal) is said to vield a reliable aviation fuel.

BRITISH MINERS STRIKE

No sooner had Britons breathed a sigh of relief that Welsh coal miners were back at work after a costly strike (BW-Mar.18'44,p113) than another flurry of walkouts shut down 70 Yorkshire mines. Some 90,000 miners were out this week.

During the four-week period ended Mar. 18, Britain lost 750,000 tons of

coal. In the first three me this of man-days lost in British coal have passed the 1943 total

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Unlike the Welsh and stra March, resulting from disability with a January wage read instruct Yorkshire strikes arose over dedni from pay for coal taken home by

As a result of the coal strikes week, the British Fuel Adminish has ordered a 10% reduction in consumption and a 25% cut in gas sumption for industrial users.

Last Concession

Soviet forces Japanese carry out 1941 commitment give up rich oil and coal rig on Sakhalin Island.

Moscow drove a hard bargain Japan's Yasuke Matsuoka in April, 1 when, in exchange for the five-year; aggression pact, it committed Toky termination of concessions on Sakh Island (map)

 Delayed Action - Details of Japa agreement were to have been wor out within six months. But, before



With a diplomatic slap on the wi last week Moscow ended Japan's and coal concessions on Sakhalin land, held since 1925.

dine arrived, the Netherlands East the refused to increase oil exports to an and Germany launched its attack the Soviet Union. Tokyo decided

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ALIN

Last week Moscow forced fulfillment the 1941 commitment. To the United tes this action was important because that oil, before this war, constituted ter than a third of Japan's total proton at home, in Formosa, and from anchurian shale. To Moscow it meant end of the last foreign economic accession in the Soviet Union.

Background—Japan obtained the lower if of Sakhalin (Karafuto) from Russia the Treaty of Portsmouth, in 1905. her the World War, Japanese troops intimued to occupy the Russian Marime Provinces, and the top half of skhalin, after British and American

oops had been withdrawn.

Tokyo did not withdraw her troops om northern Sakhalin until 1925, and ten only after obtaining concessions for and coal (extending to 1970), and

ertain fishing rights.

Value to Japan—Under the 1925 agreement, Japan exploited 50% of Sakhalin if fields then in production, and paid a ental, under terms of the concession, of on annual production plus royalties anging from 5% to 15% as output rose. Royalties on coal production ranged mm 5% to 8%, and Soviet labor laws were extended to Japanese enterprises there 50% of the technical staff, and 5% of the unskilled labor, were necesarily of Soviet citizenship.

Petroleum output on Sakhalin hit 00,000 tons before this war—about as much as is produced in Germany or Studi Arabia—of which roughly 50%

went to Japan.

Coal mined on Sakhalin amounted to more than 2,500,000 tons. The 80% of this total taken by Japan amounted to 5% of Japan's supply from home production.

• Fishing Rights—Soviet curtailment of Japanese fishing rights began in 1942 when the loss of Black Sea and Sea of Azov catches reduced Russian collections by nearly 20%. The number of areas auctioned to Japanese fishing firms was reduced each year and cash rentals were hiked 20% in 1942, another 25% in 1943, and 6% more last week in the 1944 agreement which excludes Japanese fishermen from the east coast of Kamchatka (destination of many ships bearing U.S. lend-lease supplies).

• Soviet to Pay-For all Japanese instalations on Sakhalin, the Soviets will pay

about \$950,000.

Japan is permitted to remove all oil and coal already above the ground and will receive (after termination of the Patific war) 50,000 tons of oil annually for a five-year period.

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STANDARD PRESSED STEEL CO.

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Over 40 Years in Business

THE MARKETS

(FINANCE SECTION-PAGE 102)

Since last week's short-lived but sharp shake-out, the stock market has steadied to a certain extent and at times has even been able to show some ability to move a bit higher.

 Volume Shrinking—The late March and early April volume of trading on the Big Board, however, has disclosed considerable contraction, and according to some observers, the price gains scored have been largely the result of short covering. Prices also have been showing the ever-present tendency to move toward lower levels upon only the slightest provocation.

Close examination of the various popular stock price indexes shows that the combination of sales for profit-taking purposes and lack of buying orders resulting from the sharp drop in speculative enthusiasm evidenced in recent weeks has made considerable headway in cutting down the price gains scored in the rally to which bulls were pointing with pride in early March.

 War Pessimism—While no real enthusiasm is being evidenced now over the stock market's near-term price outlook by even the normally bullish prognosticators, it wouldn't be altogether correct to say that Wall Street currently is any more bearish-minded than it was a week or so ago.

Nevertheless, far more pessimism than optimism in this respect is being evidenced due to nervousness engendered by such potentially unfavorable market factors as the current Italian stalemate; doubts that "victory by air" will prove as easy as many had earlier believed; the uncertainties inherent in the coming

European invasion; and the seeming glied reverses in India.

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• Basic Strength—More and more, as market students, too, are showing a graual increase in uneasiness about a future price trend as they contempte the possibilities of the great change a investment sentiment which might easi occur should the war prove a mice longer one than most people are might alking of.

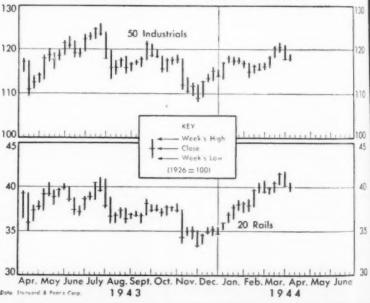
So far as the Street's bullish eleme are concerned, however, they claim if the market recently has shown conviing signs of its basic strength by vin of its refusal to be stampeded into ente ing any sustained liquidating moveme •A Technical Reaction-They still to the recent short period of definite pri weakness merely a technical reaction, coming of which had been earlier in cated as a result of not-too-wise spec lative buying and the availability of h profits for the taking, and continue to a sist that they can see no reason for a apprehension over the future of the equities that in recent months have been disclosing such convincing stability.

Security Price Averages

		300	,		
	Week Ago	Month Ago	Year Ago		
Stocks					
Industrial 117.8	117.8	118.2	117		
Railroad 40.0	40.1		30.3		
Utility 51.1	51.5	51.7			
Bonds					
Industrial120.7	120.4	119.3	1177		
Railroad 105.1	104.8				
Utility116.5		115.9			

Data: Standard & Poor's Corp.

COMMON STOCKS - A WEEKLY RECORD



equest for Cooperation

to read knows that the war econhas raised some new problems for shers. Shortage of paper and manhas enforced new economies in enting and distribution of magaand stirred up some new headaches c handling and servicing of subtons. Thinner paper, narrower marand other measures not quite so to readers are the rule in pracall publishing houses.

st serious, probably, from the readiewpoint is the necessity for freezculations. At any time, this would trouble for a thriving, growing ine, but right now those difficulne aggravated by the greatly ind demand for subscriptions. Busi-Week, for example, feels the presfrom executives who are keener ever to follow closely the wartime that affects business management.

urally every publisher wants to d the service of his paper to the possible number of those who t But with a frozen circulation e, he must strike some balance bethe interests of new subscribers f those already on his books. We, usiness Week, have felt that we d give our old subscribers priority the thousands of new orders now and and awaiting their turn.

t if this policy is to work, we must the cooperation of the old suber. We are anxious to give him a break. But once he has that break, ould at least take and hold the s early as possible in the race. As now operating, the old subscriber be protected—if only he will renew ptly. If he is unwilling to do that, we no choice but to accept a waitbscription to replace the one he let lapse. Under present conditions, means not only a break in the servat also the certainty that if and he has his subscription reinstated, all not be able to supply the copies

110

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order to give the old subscriber chance, we now send out five noof each forthcoming expiration. te the actual date of expiration. If newal is received as a result of these notices, the subscription is cut off e expiration date.

espite these precautions, every now then some subscriber reports to me impossibility of his getting back numbers once his subscription has been reinstated. The circulation department reports many other cases of this sort.

So I am suggesting here that it would save trouble for the subscriber and for the publisher and prevent a substantial waste of paper in unnecessary correspondence, if subscribers to all other publications, as well as Business Week, would take these three precautions against any unintentional discontinuance of subscriptions.

(1) Arrange right now to have all notices of impending expiration of your subscriptions brought promptly to your attention.

(2) If you wish to renew your subscription, send in the renewal immediately upon receipt of the first expiration notice that comes to you.

(3) Advise the publisher promptly if there should be any interruption in the delivery of your copy of his publication. This will be an effective check upon any misunderstanding or inadvertence in handling your subscription record.

Under normal conditions, a delay in renewal can be handled by a publisher with slight inconvenience to the subscriber. But in these times, it will help a great deal to keep everyone happy all around if subscribers will cooperate to this extent in helping the publisher to maintain his service.

Follow-up

Some weeks ago I reported here the case of a speaker who followed too closely a manuscript that had been prepared for him and, as a result, was betrayed by an exasperated typist. Somehow the episode struck a responsive chord with a lot of readers. One of them has come through with a fitting companion piece.

It appears that a business executive of considerable standing was holding forth from a prepared script on some of the current economic problems. He had just read a rather cogent and challenging statement when he stopped reading, put down his paper, took off his reading glasses, gazed thoughtfully over the heads of his audience, and then said slowly and deliberately, "Gentlemen, I disagree wholly with that statement.'

So I repeat the warning with which I headed my earlier piece: "Better read

HE TRADING POST Request for Cooperation this time, everyone who knows as read knows that the war econsistence of the property of the lapse of a subscription he had every intention of continuing and by the impossibility of this getting back numbers of the property of t

already achieved by Iron Fireman



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THE TREND

BEYOND RECIPROCAL TRADE

On the eve of a series of world trade negotiations, all of them closely bound up with the economic future of this country, two developments—one at home, and one abroad—indicate that an arresting new type of foreign trade thinking is beginning to take shape.

W. E. Knox, assistant general manager of Westinghouse Electric International Co., startled members of the Export Managers Club of New York at their annual meeting when he declared that, despite the huge dollar balances which have been piling up abroad, the long-term outlook for this country's foreign trade is not good.

• Basis for his thinking is two sets of facts:

Though, in the case of Latin America alone, this accumulation of unspent dollars has grown to nearly \$3,000,000,000, Knox points out that it provides no sound basis for a long-term expansion of our exports to that part of the world. Dammed-up demand for goods is so great in the countries south of the Rio Grande that this backlog could easily be spent in two or three years if the United States is prepared to fill the orders that quickly.

If this country wants permanently to expand its trade with Latin America—as well as with the rest of the world—it must find some way to boost its purchases from abroad. And the effort, as Knox reminded his audience, has been made increasingly difficult by the vast new industries making synthetic substitutes for such big prewar imports as rubber, copper, and silk.

The speaker concluded his talk with the proposal that a nonpartisan American Import-Export Board of Trade be formed. "What we lack," he declared, "realistically to meet postwar foreign trade conditions, is a responsible—not an advisory—tie between government and private enterprise . . . an organization to represent over-all United States interests, a clearing house where all related facts and factors and schemes for foreign trade will be—with intelligence and initiative—investigated, considered, and—if approved—implemented."

It is clear that, while Knox and a good many of his colleagues in the foreign trade community raise no protest to the conscientious efforts of Secretary of State Cordell Hull to restore world trade by reducing tariffs on a multilateral basis, they no longer believe that such a program goes anywhere near far enough in aggressive planning to meet the complicated needs of postwar trade.

 While this small but determined new sentiment is being voiced in the United States, the conservative and respected London Economist is sounding a far more radical note.

In a series of eight, carefully documented articles on "The Principles of Trade," the editors of the century-old weekly, known to be closely associated with the present government in London, make a case for "planned expasion" of foreign trade which would completely supple Washington's basic reciprocal trade program.

• After pointing out that Britain's foreign trade position has been drastically altered by the war because of the liquidation of overseas investments and the loss of incomfrom a greatly reduced merchant fleet (BW—Dec.254 p112), the Economist neatly summarizes its conclusion

"Mankind has quite obviously made up its mind control its own economic environment. . . The determination appears in the categorical imperative to preve depressions, mass unemployment, and poverty in the midst of potential sufficiency. It may be that in some parts of the world these are still debatable questions, that, while the end is accepted, the inevitable means a not. This appears still to be true of the United State but it is becoming less true every day in Britain. And Europe, as it emerges from the war, it is likely to be take for granted, not only that the state has a responsibility of the condition of economic affairs but also that it mulargely administer its own responsibility. . . .

"In theory, three possible systems of international tracan be set up: the wholly uncontrolled; planned expansionism; and the narrower restrictionism of two-sid barter. In fact—at least until conditions of far greaters bility than the world has known since 1914 can be stored—it is only the last two that come into question. Those who reject the middle solution, hoping to get the first, are far more likely to find themselves saddled with the third."

• Washington cannot ignore either of these warnings. At home, a growing group in the business communis demanding a long-range foreign trade program, as some specified, capable, and efficiently staffed agency handle it. These far-sighted and increasingly vocal leaded demand rational planning to deal after the war with suggovernmental trading monopolies as Russia, to help bis security in such economically backward areas as Lat America and China, and to face realistically the little understood problems of a creditor nation. They will not be easily silenced.

Abroad, Britain's attitude is all-important. Not enter the United States—with its enormous resources, industrica capacity, and financial facilities—can stand against the world. Now, through the Economist, an importance group of Englishmen has served notice that the job restoring their country's economic foundations calls in planning which is far more aggressive than the reciprostrade program contemplates.

The Editors of Business Wee SIN

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